

# City of Saginaw, Texas

Annual Comprehensive Financial Report  
For the Fiscal Year Ended September 30, 2021





City of Saginaw

**Prepared By  
The City of Saginaw, Texas  
Finance Department**



City of Saginaw

**City of Saginaw, Texas**  
 Annual Comprehensive Financial Report  
 For the Fiscal Year Ended September 30, 2021  
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# Introductory Section



**City of Saginaw**





City of Saginaw

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## City of Saginaw

January 18, 2022  
Honorable Mayor Todd Flippo,  
Members of the City Council,  
City of Saginaw, Texas

The Saginaw City staff is pleased to submit the Annual Comprehensive Financial Report of the City of Saginaw, Texas, for the fiscal year ended September 30, 2021. The purpose of the report is to provide the Council, management, staff, public and other interested parties with detailed information reflecting the City's financial condition.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position and results of operations of the City. We also believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included. The financial statements included in the report were prepared by the General Administrative Office in accordance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB).

Weaver and Tidwell, LLP, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the City’s financial statements for the year ended September 30, 2021. The independent auditor’s report is located at the front of the financial section of this report.

The Financial Section includes the Management’s Discussion and Analysis (MD&A). The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A.

### **The Reporting Entity**

The City of Saginaw sits solidly in the heart of the Dallas-Fort Worth Metroplex. Saginaw remains an agribusiness center for much of Texas with some of the largest grain storage facilities in the United States.

The City of Saginaw is located in Tarrant County, nine miles north of downtown Fort Worth and 37 miles west of Dallas. The Fort Worth Federal Bureau of Printing and Engraving facility is located six-tenths of a mile from Saginaw. The Alliance Airport and Texas Motor Speedway are also located just north of Saginaw (within 14 miles). The City's corporate boundaries comprise a total of approximately 7.75 square miles. Saginaw's population from the 2000 Census was 12,374; the 2010 Census was 19,806; and the 2020 Census was 24,860 (a 26% increase in the last ten years).

The City was incorporated in 1949 and is operating under a Charter adopted on January 19, 1988 and amended May 4, 2019. The City has a Council/Manager form of government, with the City Council comprised of seven members including the Mayor. All seven Council members are elected by place number and at large for three year staggered terms. The City Council is responsible for adopting ordinances and regulations governing the City, adopting the budget, determining policies, and appointing the City Manager, City Attorney, City Secretary, and Judge of the Municipal Court, as well as members of boards and commissions. The City Manager is responsible to the Council, for appointing and supervising employees of the City (except for those appointed by the Council) and for preparing and administering the annual budget and capital improvements program.

## **Services Provided**

The City provides a full range of municipal services including general government, police and fire protection, street maintenance, building inspection services, library services, recreation, animal services, parks operation and maintenance, and maintenance and operation of City-owned buildings. The City of Saginaw contracts with the City of Fort Worth for water purchase and wastewater treatment. A franchise has been granted to a privately-owned firm for solid waste collection, disposal, and recycling services. Commercial customers contract directly with the firm while residential customers contract through the City, with fees added to their municipal utility bills.

This report includes the financial statements of the funds required to account for those activities, organizations and functions which are related to the City and are controlled by or dependent upon the City's governing body, the City Council. The criteria used by the City for including activities in preparing its financial statements are set forth by the GASB. Based on these criteria, all municipal services listed are included in the City's 2020-2021 financial statements.

## **Basis of Accounting**

The City's accounting records for general governmental operations are maintained on a modified accrual basis. Under this method of accounting, expenditures are recognized when the services or goods are received and the liability is incurred. Revenues are recognized when measurable and available. Accounting records for the City's Water and Wastewater Enterprise Fund are maintained on the accrual basis. Expenses are recognized when a commitment is made and revenues are recognized when they are earned and due to the City.

## **Budgetary Controls**

The City Charter requires that the City Manager prepare and submit a proposed budget for the fiscal year beginning October 1<sup>st</sup> to the City Council at least 45 days prior to the beginning of the fiscal year. The operating budget includes proposed expenditures and the means of financing them. Public hearings are held, and the budget is adopted at a regular or special meeting prior to the first day of the fiscal year.

Following adoption of the budget by the City Council, the City Manager and department heads monitor expenditures and revenues throughout the year to ensure that the integrity of the budget is maintained. The Charter requires City Council approval for a transfer of funds from one department to another. Any revisions that alter the total expenditures of any fund must be approved by ordinance of the City Council.

## Internal Controls

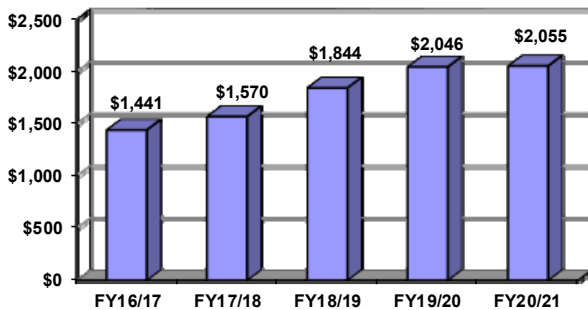
One of the objectives of the City's financial accounting system is to provide an internal control structure designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

## ECONOMIC OUTLOOK AND FINANCIAL CONDITION

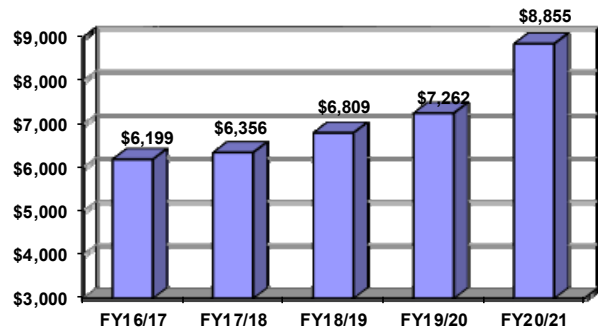
### Summary of Local Economy

The local economy in Saginaw remained strong through the fiscal year. Saginaw has seen very little effect from the coronavirus associated shut-downs due to our diverse business demographics. Our industrial base is composed of food manufacturer/processors, building material suppliers, transportation, flour milling and other essential businesses that have continued to operate. The real estate market continues to see high demand with a tight inventory. For 2021/2022 the City had \$39 million (mostly residential) in added value from new construction. New businesses include two insurance agencies, a print shop business, a day care center, two fast food restaurants, and a fitness center. Sales tax collections for the current fiscal year to date are 22% higher than last year.

**TAXABLE PROPERTY VALUES**  
(in millions)



**SALES TAX COLLECTIONS**  
(in thousands)



### Economic Prospects for the Future

Three mixed used developments, a rehabilitation/extended care nursing facility, a senior independent living facility, All Storage climate controlled mini warehouses, an office complex, and a 7-11 convenience store are under construction. These projects which include residential, office, commercial, retail, and restaurants will continue to add to the City's tax base. Saginaw remains an attractive place for new homes and businesses due to our location, land availability, easy freeway access, good schools, low tax rates, and the general quality of life.

## **Long Term Financial Planning**

The current General Fund Reserve Policy states “The City will maintain an Emergency Reserve Fund balance in the General Fund of 25% of the operating budget.” The Enterprise Fund Emergency Reserve needs to be sufficient to operate the Water Department for 90 days. Both of these funds are to be used only in an emergency and only with Council approval. We are currently in compliance with both of these policies.

The City’s Comprehensive Master Plan and the five-year Capital Improvement Plan was updated in 2016. The plan’s theme is “Preparing for Build-out”. The plan focuses on completing infrastructure to support development, rehabilitating aging infrastructure, and maintaining existing infrastructure. The capital improvements plan is funded with 2020 Certificate of Obligations, 2021 General Obligation bonds, fund balances, and revenues from the Street Maintenance Fund, and the Drainage Utility Fund.

Certificates of Obligation (\$20.5 million) were issued in 2020 for the design and construction of a new central fire station, and design for Knowles Drive and Old Decatur Road North. The Fire Station is under construction and is on schedule to be completed in fall of 2022. Design for Phase 1 of Knowles Drive is complete and will begin construction in 2022. Voters approved all three bond propositions (Street and Roadway improvements, Parks improvements and new Senior Center, and a new Library) in the May, 2021 election. General Obligation bonds (\$9 million) were issued in 2021 for the construction of Knowles Drive Phase 1 and design of a Library and Senior Activity Center. As design progresses, the operating impact of these projects will be refined and considered in the budget process.

## **OTHER INFORMATION**

### **Independent Audit**

Article XII, Section 12.06 of the City Charter requires an annual audit by independent certified public accountants. The annual audit must be available for public inspection no later than one hundred eighty days after the close of the City’s fiscal year. The accounting firm of Weaver and Tidwell, L.L.P. was selected by the City Council. The independent auditors’ report on the general purpose financial statements and supplemental statements and schedules is included in the financial section of this report.

### **Certificate of Achievement**

The City of Saginaw was awarded a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2020 from the Government Finance Officers Association of the United States and Canada (GFOA). This certificate is awarded to governmental units who publish easily readable and efficiently organized annual reports which satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate is valid for a one year period. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA. The City also received GFOA's Award for Distinguished Budget Presentation for its 2020-2021 annual budget document. In order to qualify for the Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization. Together the Budget Award, along with the previously mentioned award are evidence of the Finance Department’s dedication to producing documents that effectively communicate the City's financial condition to the elected officials, city management and the general public.

## Acknowledgments

The preparation of this Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the General Administrative Office and our independent auditors. We would like to express our sincere appreciation to all of our employees who contributed to the preparation.

In closing, we would also like to thank the Mayor and City Council for their leadership and support in planning and conducting the financial operations of the City.

Respectfully submitted,

A handwritten signature in black ink that reads "Gabe Reaume". The signature is written in a cursive style with a large initial "G" and a long, sweeping tail.

Gabe Reaume, City Manager

**City of Saginaw, Texas**

Principal Officials  
September 30, 2021

**GOVERNING BODY**

Todd Flippo..... Mayor  
Valerie Junkersfeld ..... Mayor Pro-Tem, Councilmember, Place 3  
Charles Beasley ..... Councilmember, Place 1  
Nicky Lawson ..... Councilmember, Place 2  
Charles Tucker ..... Councilmember, Place 4  
Cindy Bighorse ..... Councilmember, Place 5  
Mary Copeland ..... Councilmember, Place 6

**ADMINISTRATION**

Gabriel Reaume ..... City Manager  
Dolph Johnson ..... Assistant City Manager  
Kim Quin ..... Finance Director  
Janice England ..... City Secretary  
Lorraine Irby ..... Municipal Court Judge  
Lee Howell ..... Police Chief  
Doug Spears ..... Fire Chief  
Rick Trice ..... Director of Public Works  
Keith Rinehart ..... Director of Community and Economic Development  
Ellen Ritchie ..... Library Director  
Greg Clayton ..... Director of Information Technology  
Melanie McManus ..... Director of Human Resources  
Bryn Meredith ..... City Attorney  
Andrew Simonsen ..... City Engineer



# CITY OF SAGINAW



**NCTCOG Maps**  
www.dfwmaps.com

**DISCLAIMER**

This data has been compiled for NCTCOG. Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data.





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Saginaw  
Texas**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

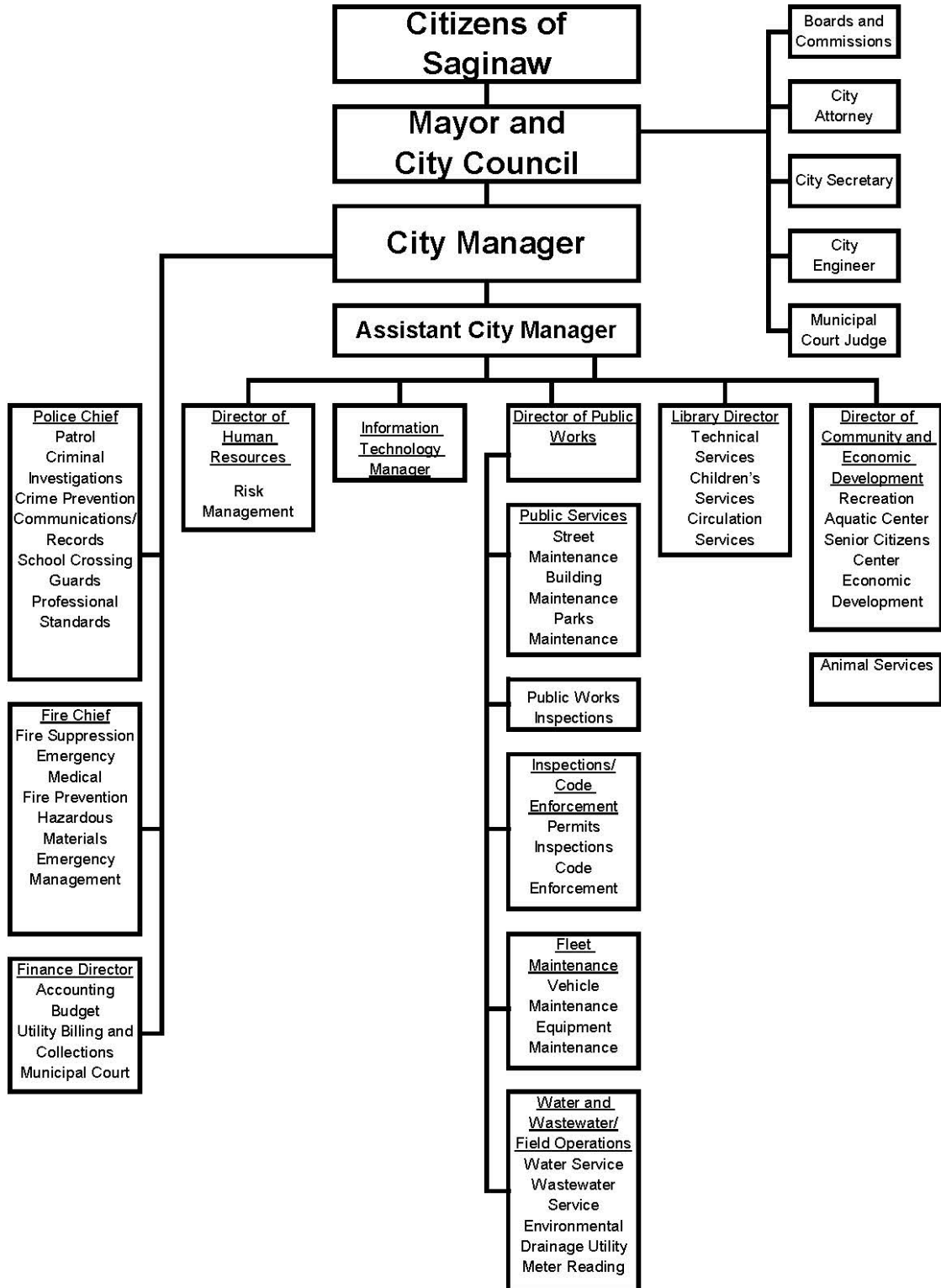
September 30, 2020

*Christopher P. Morill*

Executive Director/CEO



**CITY OF SAGINAW  
ORGANIZATIONAL CHART  
2020-2021**





**City of Saginaw**

# Financial Section



**City of Saginaw**



## Independent Auditor's Report

To the Honorable Mayor Todd Flippo  
and Members of the City Council of the  
City of Saginaw, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Saginaw, Texas (the City) as of and for the year ended September 30, 2021, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Honorable Mayor Todd Flippo  
and the Members of the City Council of the  
City of Saginaw, Texas

**Other Matters**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Texas Municipal Retirement System pension schedules, Texas Municipal Retirement System OPEB schedule, and budgetary comparison information on pages 5 through 12 and 61 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Weaver and Tidwell, L.L.P.*  
WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas  
January 13, 2022

**CITY OF SAGINAW, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR YEAR ENDED SEPTEMBER 30, 2021  
(UNAUDITED)**

As management of the City of Saginaw, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report.

**IN BRIEF**

- The assets and deferred outflows of resources of the City of Saginaw exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by \$133,177,219 (net position). This number must be viewed in the context that the vast majority of the City's net position is net investment in capital assets of \$114,059,928 (86%) and that most capital assets of a government do not directly generate revenue nor can they be sold to generate liquid capital. The net position restricted for specific purposes totals \$9,298,050 (7%). The remaining \$9,819,241 (7%) is the unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by \$9,133,684. Increases in current, other, and capital assets are partially offset by a decrease in deferred outflows related to pension. Increases in long term liabilities due to the issuance of debt are partially offset by a decrease in deferred inflows related to pension.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$46,069,060. Within this total \$33,508,881 is restricted by specific legal requirements and \$2,415,823 has been committed and assigned to specific types of expenditures. About 22% of this total amount, or \$10,144,356 is unassigned and available for use with the City's fund designation and policies.
- At the end of the current year, unassigned fund balance for the general fund of \$10,144,356 is 59% of the total general fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements** – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, deferred outflows/inflows, and liabilities, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g. uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, municipal court, fire, police, public services, parks, library, community services, fleet maintenance, inspections, animal services, information technology, and economic development. The business-type activities of the City include water and wastewater services. The government-wide financial statements can be found on pages 17-19 of this report.

**Fund financial statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories – governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains eight governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, six Special Revenue, Debt Service, and Capital Projects funds. The basic governmental funds financial statements can be found on pages 22-25.

**Proprietary Funds** – The City maintains one type of proprietary fund. The Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its water and wastewater operations. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 28-31 of this report.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because those funds are not available to support the City's programs. The City is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City does not currently have fiduciary activities to report.



**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-58.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. As of September 30, 2021, the City of Saginaw’s assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$133,177,219.

The largest portion of the City’s net position (86%) reflects its investments in capital assets (e.g., land, buildings, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

#### City of Saginaw’s Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 54,213,575	\$ 47,998,167	\$ 10,802,690	\$ 11,109,988	\$ 65,016,265	\$ 59,108,155
Capital assets	114,716,232	102,317,130	30,055,542	29,390,990	144,771,774	131,708,120
<b>Total assets</b>	<b>168,929,807</b>	<b>150,315,297</b>	<b>40,858,232</b>	<b>40,500,978</b>	<b>209,788,039</b>	<b>190,816,275</b>
Deferred outflows of resources	1,694,296	1,745,292	183,960	189,746	1,878,256	1,935,038
Long term liabilities	64,983,416	56,148,673	1,952,228	2,211,057	66,935,644	58,359,730
Other liabilities	8,220,687	6,713,581	1,630,431	1,541,995	9,851,118	8,255,576
<b>Total liabilities</b>	<b>73,204,103</b>	<b>62,862,254</b>	<b>3,582,659</b>	<b>3,753,052</b>	<b>76,786,762</b>	<b>66,615,306</b>
Deferred inflows of resources	1,510,240	1,857,481	192,074	234,991	1,702,314	2,092,472
<b>Net Position</b>						
Net Investment in capital assets	84,992,122	77,862,666	29,067,806	28,198,820	114,059,928	106,061,486
Restricted	9,112,393	7,491,338	185,657	185,900	9,298,050	7,677,238
Unrestricted	1,805,245	1,986,850	8,013,996	8,317,961	9,819,241	10,304,811
<b>Total net position</b>	<b>\$ 95,909,760</b>	<b>\$ 87,340,854</b>	<b>\$ 37,267,459</b>	<b>\$ 36,702,681</b>	<b>\$ 133,177,219</b>	<b>\$ 124,043,535</b>

An additional portion of the City’s net position \$9,298,050 (7%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position of \$9,819,241 (7%) may be used to meet the City’s ongoing obligation to citizens and creditors.

The \$9,133,684 increase in net position is a result of increased investment in capital assets and certificates of obligation proceeds partially offset by a decrease in deferred outflows and a decrease in deferred inflows both related to pension. Long term liabilities increased due to the increased debt partially offset by a decrease in net pension liability. As of September 30, 2021, the City is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

**Analysis of the City's Operations** – The following table provides a summary of the City's operations for the year ended September 30, 2021. Overall the City had an increase in net position of \$9,133,684. Total City revenues decreased by \$2,912,663. Revenue decreases are due to CARES Act funding in fiscal year 2020 that did not occur in 2021, a decline in interest earnings, and contributed assets of Basswood Crossing Phase 2 and Bar C Ranch Phases 1 and 2 in fiscal year 2020. The revenue decreases are partially offset by increases in ad valorem tax, sales tax, fines and fees, and construction inspection fees. Ad valorem taxes increased due to an increase in property values and an increased tax rate to cover projected increased operating costs. Sales tax collections and construction inspection fees increased due to a strong local economy and continued construction activity. Fines and fees increased due to increased staffing at the Police Department which allowed for more traffic patrol

### City of Saginaw's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Revenues</b>						
Program revenues						
Fees, fines and charges for services	\$ 3,376,592	\$ 2,707,019	\$ 10,672,524	\$ 10,798,406	\$ 14,049,116	\$ 13,505,425
Operating grants and contributions	276,878	1,761,389	-	-	276,878	1,761,389
Capital grants and contributions	5,422,862	6,883,535	43,434	2,706,220	5,466,296	9,589,755
General revenues						
Ad valorem taxes	10,451,254	9,670,822	-	-	10,451,254	9,670,822
Sales taxes	8,855,456	7,262,055	-	-	8,855,456	7,262,055
Franchise taxes	1,561,343	1,612,023	-	-	1,561,343	1,612,023
Other taxes	109,813	77,679	-	-	109,813	77,679
Penalties and interest	10,590	12,581	90,214	83,008	100,804	95,589
Interest income	22,000	255,256	4,846	97,645	26,846	352,901
Miscellaneous	298,496	183,708	58,964	56,583	357,460	240,291
<b>Total revenues</b>	<b>30,385,284</b>	<b>30,426,067</b>	<b>10,869,982</b>	<b>13,741,862</b>	<b>41,255,266</b>	<b>44,167,929</b>
<b>Expenses</b>						
General administrative office	2,660,420	2,801,551	-	-	2,660,420	2,801,551
Municipal court	187,686	187,789	-	-	187,686	187,789
Fire	3,833,378	3,824,006	-	-	3,833,378	3,824,006
Police	5,290,475	5,419,054	-	-	5,290,475	5,419,054
Public works	5,033,117	5,104,334	-	-	5,033,117	5,104,334
Parks	468,390	356,963	-	-	468,390	356,963
Community services	802,551	993,452	-	-	802,551	993,452
Library	645,186	607,455	-	-	645,186	607,455
Inspections	698,321	633,836	-	-	698,321	633,836
Animal services	396,348	374,204	-	-	396,348	374,204
Fleet maintenance	492,762	434,270	-	-	492,762	434,270
Economic development	140,178	176,295	-	-	140,178	176,295
Information technology	389,186	374,852	-	-	389,186	374,852
Interest on long term debt	1,403,680	892,956	-	-	1,403,680	892,956
Water and wastewater	-	-	9,679,904	10,969,259	9,679,904	10,969,259
<b>Total expenses</b>	<b>22,441,678</b>	<b>22,181,017</b>	<b>9,679,904</b>	<b>10,969,259</b>	<b>32,121,582</b>	<b>33,150,276</b>
<b>Increases (decreases) in net position</b>						
before transfers	7,943,606	8,245,050	1,190,078	2,772,603	9,133,684	11,017,653
Transfers	625,300	607,645	(625,300)	(607,645)	-	-
<b>Increase in net position</b>	<b>8,568,906</b>	<b>8,852,695</b>	<b>564,778</b>	<b>2,164,958</b>	<b>9,133,684</b>	<b>11,017,653</b>
<b>Net position - October 1</b>	<b>87,340,854</b>	<b>78,488,159</b>	<b>36,702,681</b>	<b>34,537,723</b>	<b>124,043,535</b>	<b>113,025,882</b>
<b>Net position - September 30</b>	<b>\$ 95,909,760</b>	<b>\$ 87,340,854</b>	<b>\$ 37,267,459</b>	<b>\$ 36,702,681</b>	<b>\$ 133,177,219</b>	<b>\$ 124,043,535</b>

Total City expenses decreased by \$1,028,694. The decrease in General Administration pension expense is partially offset by costs associated with an additional management analyst position. The Fire Department increase is primarily due to increased overtime expense to maintain minimum staffing during unplanned absences. The Police Department decrease is due to savings in health insurance expense due to new hires not opting for dependent coverage and a payment in 2020 for the firing range that was not made in 2021. Public Works decreases are due to sidewalk and street repair and supplies expenses being down because of work crew staffing shortages. The decrease is partially offset by increases for the mowing contract and an increase due to the replacement of two air conditioning units at Station 2. Parks increases are due to the mowing contract, utilities, and supplies for park maintenance. Reductions in Community Services is due to the vacancy savings with a reassignment of duties and savings related to not staffing and operating the Aquatic Center which was under repair. Library increases are due to operating expenses increasing as programming increased from the previous year. Inspections increases are due to property abatement and an additional position added for rental inspection program administration. These increases are partially offset by the elimination of a contract inspector. The increase in Animal Services is due to the new Adoption and Rescue Coordinator position added mid-year. Fleet Maintenance had an increase in fuel expense due to both the cost of fuel and usage being up from the previous year. There was also an increase in outside repairs. Economic Development had a reduction due to a full year of savings from the reassignment of economic development responsibilities. Increases in Information Technology are related to phone and finance system security evaluations that were conducted in 2021. Increase in interest is related to the sale of certificates of obligation in 2020. The decrease in the Enterprise Fund is due to expenses for inflow and infiltration repairs, FM 156 utility relocation, and Fairmont Sewer rehabilitation in 2020.

City Governmental activities increased net position by \$8,568,906 and Enterprise Fund activities increased net position by \$564,778.

## FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

**Governmental Funds** – The focus of the City of Saginaw's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance may serve as a useful measure of the City's net resources available at the end of the fiscal year.

At the end of the current fiscal year, the City of Saginaw's governmental funds reported combined ending fund balances of \$46,069,060. Approximately 22% of this total (\$10,144,356) constitutes unassigned fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed for other purposes. The General Fund decreased by \$910,632. The planned use of fund balance for the Bailey Boswell Overpass project and other capital items was less than originally budgeted due to increased sales tax, ad valorem tax, construction inspection fees, and fines. The \$103,267 decrease of fund balance in the Debt Service Fund reflects debt issuance costs. The increase of \$1,049,862 in the Capital Projects Fund reflects the use of previously issued certificates of obligations for the design and construction of a fire station and design for street projects offset by the issuance of general obligation bonds for the construction of the first phase of Knowles Drive and design of the Library and Senior Activity Center. The planned use of Crime Control and Prevention District fund balance for the replacement of patrol vehicles was not necessary to due to increased sales tax collections; instead the fund balance increased by \$325,118. The Drainage Utility fund balance increased by \$537,567. The planned decrease in the Drainage Utility Fund did not occur due to the delay of the East Cement Creek drainage improvement project. The Street Maintenance Fund balance increase of \$537,567 is due to the delay of the Burlington Road reconstruction project, other street maintenance projects, and increased sales tax collections. There was an increase in the General Escrow Fund balance of \$716,503 due to developer contributions for future improvements to Old Decatur Road, and the transfer from General Fund for future equipment replacement, health insurance rate stabilization, and economic development incentives.

**Proprietary Fund** – The City’s proprietary fund statements provide the same type of information found in the government-wide statements. Unrestricted net position of the Enterprise Fund is \$8,013,996. Total net position of the Enterprise Fund increased by \$564,778 from fiscal year 2020 to fiscal year 2021. The increase is due to increased water sales and wastewater fees which are partially offset by the increased cost of water and wastewater service.

**Budgetary Highlights** – The City Council approved revisions to the original budget appropriations. General Fund revenues were increased by \$1,675,125 or 9.8%. Increased revenues were due increased sales tax collections, ad valorem taxes, fines, building permits, and construction inspections fees. These increases were partially offset by decreases in recreation fees. General Fund expenditure appropriations increased by \$164,225 or 0.8% for the purchase of land at the south end of Willow Creek Park and funding for a comprehensive plan. The increases were partially offset by salary savings due to vacancies.

## **CAPITAL ASSETS**

The City of Saginaw’s investment in capital assets for its governmental and business-type activities as of September 30, 2021 amounts to \$144,771,774 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, improvements, infrastructure and construction in progress.

Major capital asset events during the fiscal year included the following:

- Land purchase at the SW corner of Willow Creek Park (\$487,380).
- Continued construction of the Bailey Boswell Overpass (\$10,982,575).
- Improvements at Willow Creek Park (\$83,573).
- Construction of the Saginaw Boulevard 16" water line Phase 2 (\$985,436).
- Design for the NW and Belt Mill booster pump stations (\$72,125).
- Replacement of the Park Center Outdoor Warning Siren (\$27,586).
- Continued design for East Cement Creek Drainage Phase 2 (\$18,252).
- Construction of traffic signal at Bailey Boswell and Knowles (\$136,770).
- Completion of East McLeroy curb and gutter and repaving (\$324,758).
- Blue Mound Rd/Industrial intersection improvements (\$12,600).
- Fire dispatch equipment (\$50,727).
- Design for North Old Decatur Road improvements (\$62,250)
- Design for Knowles Drive improvements (\$581,970).
- Additions to the holiday light display (\$27,616).
- City-wide equipment replacement (\$380,712) and sanitation equipment (\$12,685).
- Water meter replacements (\$589,296).
- Sidewalk improvements (\$193,208).
- Intersection improvements at WJ Boaz and Old Decatur Rd (\$841,744).
- Completed design and began construction for new fire station (\$2,820,453)

**Capital Assets at Year End  
Net of Accumulated Depreciation**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 19,229,293	\$ 18,741,913	\$ 16,657	\$ 16,657	\$ 19,245,950	\$ 18,758,570
Improvements	2,906,510	2,497,588	-	-	2,906,510	2,497,588
Buildings	19,784,753	19,784,753	154,587	154,587	19,939,340	19,939,340
Equipment	11,397,955	10,452,258	1,621,137	1,591,260	13,019,092	12,043,518
Infrastructure	121,918,215	121,180,527	42,188,854	41,599,558	164,107,069	162,780,085
Construction in progress	20,767,124	6,331,829	1,231,522	173,961	21,998,646	6,505,790
Accumulated depreciation	(81,287,618)	(76,671,738)	(15,157,215)	(14,145,033)	(96,444,833)	(90,816,771)
<b>Total</b>	<b>\$ 114,716,232</b>	<b>\$ 102,317,130</b>	<b>\$ 30,055,542</b>	<b>\$ 29,390,990</b>	<b>\$ 144,771,774</b>	<b>\$ 131,708,120</b>

Additional information on the City of Saginaw's capital assets can be found in Note 5 on pages 42-43.

**DEBT ADMINISTRATION**

At the end of the fiscal year, the City had a total bonded debt of \$55,640,201.

**Outstanding Bond Debt at Year End**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligations	\$ 31,890,000	\$ 25,735,000	\$ 1,010,000	\$ 1,220,000	\$ 32,900,000	\$ 26,955,000
Certificates of obligation	17,310,000	17,345,000	-	-	17,310,000	17,345,000
Revenue bonds payable	-	-	-	-	-	-
Tax notes	1,160,000	1,570,000	-	-	1,160,000	1,570,000
Premiums on bonds	4,270,201	3,764,136	-	-	4,270,201	3,764,136
<b>Total</b>	<b>\$ 54,630,201</b>	<b>\$ 48,414,136</b>	<b>\$ 1,010,000</b>	<b>\$ 1,220,000</b>	<b>\$ 55,640,201</b>	<b>\$ 49,634,136</b>

During the fiscal year, the City's total debt increased by \$6,006,065 or 12%. Enterprise Fund principal payments of \$210,000 and General Fund principal payments of \$2,725,000 were made. The City's General Obligation Bonds, and Certificates of Obligation have a Standard and Poor's Ratings Services rating of AA/Stable and a Moody's Investor Service rating of Aa3. The Revenue bonds have a Standard and Poor's Rating of AA/Stable and a Moody's rating of Aa3.

Additional information on the City of Saginaw's long-term debt can be found on pages 44-46 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

In the 2021-2022 budget, General Fund revenues and transfers in are budgeted to decrease by \$553,440 (3%) from the 2020-2021 revised budget due to a one-time audit adjustment to sales tax collections in 2020-2021 that will not be recurring. General Fund revenues are comprised of 38% property tax, 32% sales tax, and 30% fees and transfers. Estimated net taxable value increased 8.5% from the preceding year with \$39.2 million in added value. Budgeted property tax revenues are \$6,805,960 in the General Fund and \$4,642,825 in the Debt Service Fund. General Fund expenditures and transfers decreased by \$23,965 or 0.1% due to the \$2.6 million use of General Fund balance for the Bailey Boswell overpass project in 2021 partially offset by a budgeted \$1.4 million use of fund balance in 2022 for "The Square" developer's incentive agreement. Funding is provided for salary adjustments to remain competitive in the labor market; most employees will receive a 3% salary increase. A Human Resource Generalist position, a part-time Animal Services Technician, and overtime for special events is added in 2022. One-time expenses include an inspection vehicle, the replacement of recreation equipment, fall protection material at all city owned play grounds, funding for the start-up of a police narcotics dog program, Phase 4A of the Americans with Disabilities Act plan update, an awning at the fleet maintenance facility, and funding for Saginaw Boulevard/Industrial redevelopment.

The 2021-2022 budget includes a 10% increase in water rates and a 5% increase in wastewater rates based on the change in rates charged by our water and wastewater service provider, the City of Fort Worth. The Enterprise Fund budget has been balanced with the use of \$517,935 from fund balance for "The Square" developer's agreement payment.

### **REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Finance Director at P.O. Box 79070, Saginaw, Texas 76179, or call (817) 232-4640.

# Basic Financial Statements



**City of Saginaw**



# Government-wide Financial Statements



City of Saginaw

City of Saginaw, Texas  
Statement of Net Position  
September 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Deposits and investments	\$ 24,607,174	\$ 8,570,766	\$ 33,177,940
Receivables:			
Taxes, net of allowance	1,644,303	-	1,644,303
Accounts, net of allowance	83,670	1,322,628	1,406,298
Other	3,075,836	-	3,075,836
Notes receivable	1,000	-	1,000
Restricted assets:			
Deposits and investments	24,801,592	909,296	25,710,888
Capital assets:			
Land	19,229,293	16,657	19,245,950
Improvements	2,906,510	-	2,906,510
Buildings	19,784,753	154,587	19,939,340
Equipment	11,397,955	1,621,137	13,019,092
Infrastructure	121,918,215	42,188,854	164,107,069
Construction in progress	20,767,124	1,231,522	21,998,646
Accumulated depreciation	(81,287,618)	(15,157,215)	(96,444,833)
Total assets	168,929,807	40,858,232	209,788,039
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge for refunding	192,198	22,264	214,462
Related to TMRS pension	1,405,530	149,498	1,555,028
Related to TMRS OPEB	96,568	12,198	108,766
Total deferred outflows of resources	1,694,296	183,960	1,878,256
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	2,018,650	685,125	2,703,775
Accrued interest payable	134,359	1,667	136,026
Unearned revenue	3,298,289	-	3,298,289
Payable from restricted assets:			
Contracts payable	2,769,389	-	2,769,389
Current portion of revenue bonds payable	-	220,000	220,000
Customer deposits	-	723,639	723,639
Noncurrent liabilities:			
Debt due within one year	3,160,000	-	3,160,000
Debt due in more than one year	51,470,201	790,000	52,260,201
Net pension liability	9,911,218	1,107,478	11,018,696
Total OPEB liability	441,997	54,750	496,747
Total liabilities	73,204,103	3,582,659	76,786,762
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to TMRS pension	1,485,883	189,209	1,675,092
Related to TMRS OPEB	24,357	2,865	27,222
Total deferred inflows of resources	1,510,240	192,074	1,702,314
<b>NET POSITION</b>			
Net investment in capital assets	84,992,122	29,067,806	114,059,928
Restricted for:			
Debt service	970,131	185,657	1,155,788
Street maintenance	1,746,242	-	1,746,242
Crime prevention	858,108	-	858,108
Drainage	3,179,644	-	3,179,644
Other special revenue	2,358,268	-	2,358,268
Unrestricted	1,805,245	8,013,996	9,819,241
<b>TOTAL NET POSITION</b>	<b>\$ 95,909,760</b>	<b>\$ 37,267,459</b>	<b>\$ 133,177,219</b>

The Notes to Basic Financial Statements are an integral part of these statements.

**City of Saginaw, Texas**  
Statement of Activities  
For the Fiscal Year Ended September 30, 2021

Program Activities	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General administrative offices	\$ 2,660,420	\$ 216,266	\$ -	\$ -
Municipal court	187,686	464,072	1,033	-
Fire	3,833,378	97,020	100,690	-
Police	5,290,475	3,174	163,999	-
Public works	5,033,117	823,078	3,982	5,422,862
Parks	468,390	-	-	-
Community services	802,551	455,009	1,739	-
Library	645,186	6,886	-	-
Inspection	698,321	1,278,968	-	-
Animal services	396,348	32,119	449	-
City garage	492,762	-	-	-
Economic development	140,178	-	-	-
Information technology	389,186	-	4,986	-
Interest on long term debt	1,403,680	-	-	-
Total governmental activities	22,441,678	3,376,592	276,878	5,422,862
Business-type activities:				
Water and wastewater	9,679,904	10,672,524	-	43,434
Total business-type activities	9,679,904	10,672,524	-	43,434
<b>TOTAL GOVERNMENT</b>	<b>\$ 32,121,582</b>	<b>\$ 14,049,116</b>	<b>\$ 276,878</b>	<b>\$ 5,466,296</b>

General revenues

- Taxes
  - Ad valorem
  - Sales
  - Franchise taxes
  - Other taxes
  - Penalties and interest
- Interest income
- Miscellaneous revenues
- Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year

Net position - end of year

The Notes to Basic Financial Statements are an integral part of these statements.

**Net (Expenses) Revenue and  
Changes in Net Position**

<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total</u>
\$ (2,444,154)	\$ -	\$ (2,444,154)
277,419	-	277,419
(3,635,668)	-	(3,635,668)
(5,123,302)	-	(5,123,302)
1,216,805	-	1,216,805
(468,390)	-	(468,390)
(345,803)	-	(345,803)
(638,300)	-	(638,300)
580,647	-	580,647
(363,780)	-	(363,780)
(492,762)	-	(492,762)
(140,178)	-	(140,178)
(384,200)	-	(384,200)
(1,403,680)	-	(1,403,680)
<u>(13,365,346)</u>	<u>-</u>	<u>(13,365,346)</u>
-	1,036,054	1,036,054
-	1,036,054	1,036,054
<u>\$ (13,365,346)</u>	<u>\$ 1,036,054</u>	<u>\$ (12,329,292)</u>
\$ 10,451,254	\$ -	\$ 10,451,254
8,855,456	-	8,855,456
1,561,343	-	1,561,343
109,813	-	109,813
10,590	90,214	100,804
22,000	4,846	26,846
298,496	58,964	357,460
625,300	(625,300)	-
<u>21,934,252</u>	<u>(471,276)</u>	<u>21,462,976</u>
8,568,906	564,778	9,133,684
<u>87,340,854</u>	<u>36,702,681</u>	<u>124,043,535</u>
<u>\$ 95,909,760</u>	<u>\$ 37,267,459</u>	<u>\$ 133,177,219</u>



**City of Saginaw**

# **Fund Financial Statements Governmental Funds**

**City of Saginaw, Texas**  
 Balance Sheet - Governmental Funds  
 September 30, 2021

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Deposits and investments	\$ 15,329,821	\$ 1,082,134	\$ -	\$ 8,195,219	\$ 24,607,174
Receivables:					
Taxes, net of allowance	1,231,379	22,356	-	390,568	1,644,303
Accounts	83,670	-	-	-	83,670
Other	71,099	-	2,876,287	128,450	3,075,836
Due from other funds	624,005	-	-	-	624,005
Note receivable	1,000	-	-	-	1,000
Restricted assets					
Deposits and investments	-	-	24,801,592	-	24,801,592
<b>TOTAL ASSETS</b>	<b>\$ 17,340,974</b>	<b>\$ 1,104,490</b>	<b>\$ 27,677,879</b>	<b>\$ 8,714,237</b>	<b>\$ 54,837,580</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 1,989,154	\$ -	\$ -	\$ 29,496	\$ 2,018,650
Payable from restricted assets:					
Contracts payable	-	-	2,769,389	-	2,769,389
Due to other funds	-	-	624,005	-	624,005
Unearned revenue	3,270,208	-	-	28,081	3,298,289
<b>Total liabilities</b>	<b>5,259,362</b>	<b>-</b>	<b>3,393,394</b>	<b>57,577</b>	<b>8,710,333</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - property taxes	35,831	22,356	-	-	58,187
<b>Total deferred inflows of resources</b>	<b>35,831</b>	<b>22,356</b>	<b>-</b>	<b>-</b>	<b>58,187</b>
<b>FUND BALANCES</b>					
Restricted:					
Debt service	-	1,082,134	-	-	1,082,134
Capital projects	-	-	24,284,485	-	24,284,485
Street maintenance	-	-	-	1,746,242	1,746,242
Crime prevention	-	-	-	858,108	858,108
Drainage	-	-	-	3,179,644	3,179,644
Other special revenue	-	-	-	2,358,268	2,358,268
Committed:					
Donations	-	-	-	514,398	514,398
Assigned	1,901,425	-	-	-	1,901,425
Unassigned	10,144,356	-	-	-	10,144,356
<b>Total fund balances</b>	<b>12,045,781</b>	<b>1,082,134</b>	<b>24,284,485</b>	<b>8,656,660</b>	<b>46,069,060</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 17,340,974</b>	<b>\$ 1,104,490</b>	<b>\$ 27,677,879</b>	<b>\$ 8,714,237</b>	<b>\$ 54,837,580</b>

The Notes to Basic Financial Statements are an integral part of these statements.



## City of Saginaw, Texas

### Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position September 30, 2021

<b>TOTAL FUND BALANCE - GOVERNMENTAL FUND</b>	\$ 46,069,060
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet	114,716,232
Interest payable on long term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet.	(134,359)
Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements.	58,187
Long-term liabilities, including bonds payable and capital leases are not due and payable in the current period and therefore are not reported in the fund financial statements. A deferred charge on an advanced refunding of bonds payable of \$192,198 is reflected as a deferred outflow of resources on the Statement of Net Position.	(54,438,003)
Included in noncurrent liabilities is the recognition of the City's net pension liability required by GASB 68 in the amount of \$9,911,218, a deferred resource outflow related to TMRS of \$1,405,530, and a deferred resource inflow related to TMRS of \$1,485,883. This resulted in a decrease in net position.	(9,991,571)
Included in noncurrent liabilities is the recognition of the City's total OPEB liability required by GASB 75 in the amount of \$441,997, a deferred resource outflow related to TMRS of \$96,568, and a deferred resource inflow related to TMRS of \$24,357. This resulted in a decrease in net position.	<u>(369,786)</u>
<b>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 95,909,760</u></u>

The Notes to Basic Financial Statements are an integral part of these statements.

**City Of Saginaw, Texas**  
Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
For The Year Ended September 30, 2021

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 14,703,088	\$ 4,014,866	\$ -	\$ 2,258,458	\$ 20,976,412
Licenses and permits	668,169	-	-	-	668,169
Charges for services	97,020	-	-	823,078	920,098
Fines and fees	1,092,420	-	-	24,630	1,117,050
Interest income	6,911	941	11,000	3,148	22,000
Recreation income	163,056	-	-	-	163,056
Intergovernmental	229,848	-	5,094,996	1,290	5,326,134
Miscellaneous revenues	170,872	4,440	-	879,583	1,054,895
Total revenues	17,131,384	4,020,247	5,105,996	3,990,187	30,247,814
<b>EXPENDITURES</b>					
Current:					
General administrative office	2,601,057	-	-	472,257	3,073,314
Municipal court	191,718	-	-	-	191,718
Fire	3,864,642	-	-	-	3,864,642
Police	5,018,523	-	-	84,709	5,103,232
Public works	1,652,954	-	-	-	1,652,954
Parks	337,404	-	-	-	337,404
Community services	645,986	-	-	-	645,986
Library	626,724	-	-	-	626,724
Inspection	716,646	-	-	-	716,646
Animal services	471,758	-	-	-	471,758
City garage	457,527	-	-	-	457,527
Economic development	140,178	-	-	-	140,178
Information technology	398,731	-	-	-	398,731
Capital outlay	-	-	15,656,134	634,353	16,290,487
Principal retirement	-	2,725,000	-	-	2,725,000
Interest charges	-	1,391,033	-	-	1,391,033
Fiscal agent's fees and debt issuance costs	-	7,481	186,487	-	193,968
Total expenditures	17,123,848	4,123,514	15,842,621	1,191,319	38,281,302
Excess (deficiency) of revenues over (under) expenditures	7,536	(103,267)	(10,736,625)	2,798,868	(8,033,488)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	1,956,513	-	2,600,000	274,681	4,831,194
Transfers out	(2,874,681)	-	-	(1,331,213)	(4,205,894)
Issuance of debt	-	-	8,435,000	-	8,435,000
Premium on bond issuance	-	-	751,487	-	751,487
Total other financing sources (uses)	(918,168)	-	11,786,487	(1,056,532)	9,811,787
Net change in fund balances	(910,632)	(103,267)	1,049,862	1,742,336	1,778,299
Fund Balance, beginning	12,956,413	1,185,401	23,234,623	6,914,324	44,290,761
<b>FUND BALANCE, ending</b>	<b>\$ 12,045,781</b>	<b>\$ 1,082,134</b>	<b>\$ 24,284,485</b>	<b>\$ 8,656,660</b>	<b>\$ 46,069,060</b>

The Notes to Basic Financial Statements are an integral part of these statements.

## City of Saginaw, Texas

### Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities For the Fiscal Year Ended September 30, 2021

<b>TOTAL NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND</b>	<b>\$ 1,778,299</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.	16,984,318
Governmental funds do not recognize assets contributed by developers or grantors, or donated to the City. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense.	174,323
Depreciation expense on capital assets is reported in the statement of activities and does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds.	(4,710,642)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(48,897)
The issuance of long term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are capitalized and amortized in the statement of activities. This amount consists of an issuance in the amount of \$8,435,000, premium on issuance of \$751,487, repayments of \$2,725,000 and amortization of \$196,203 for premiums and deferred charges on refundings, which is the net effect of these differences in the treatment of long-term debt and related items.	(6,265,284)
Current year changes in the net pension liability, deferred inflows of resources and the deferred outflows of resources of the pension plan. The net effect of these items increased net position.	696,559
Current year changes in the total OPEB liability and the deferred outflows of resources of the pension plan. The net effect of these items decreased net position.	(36,932)
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.	(14,882)
Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.	12,044
<b>CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES</b>	<b>\$ 8,568,906</b>

The Notes to Basic Financial Statements are an integral part of these statements.



**City of Saginaw**

# **Fund Financial Statements Proprietary Funds**

**City of Saginaw, Texas**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2021**

	<b>Enterprise Fund</b>
	<hr/>
<b>ASSETS</b>	
Current assets:	
Deposits and investments	\$ 8,570,766
Deposits and investments-restricted	185,657
Receivables:	
Accounts receivable, net of allowance of \$58,722	685,360
Unbilled accounts	637,268
Total current assets	<hr/> 10,079,051
Noncurrent assets:	
Capital assets, at cost:	
Land and land improvements	16,657
Buildings and improvements	154,587
Waterworks and sewer system	42,188,854
Machinery and equipment	1,621,137
Construction in progress	1,231,522
Accumulated depreciation	<hr/> (15,157,215)
Total capital assets, net of accumulated depreciation	30,055,542
Deposits and investments-restricted	<hr/> 723,639
Total noncurrent assets	<hr/> 30,779,181
Total assets	40,858,232
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charge for refunding	22,264
Related to the TMRS pension	149,498
Related to the TMRS OPEB	12,198
Total deferred outflows of resources	<hr/> 183,960
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable and accrued liabilities	685,125
Accrued interest	1,667
Revenue bonds payable	<hr/> 220,000
Total current liabilities	906,792
Noncurrent liabilities:	
Revenue bonds payable	790,000
Customer deposits	723,639
Net pension liability	1,107,478
Total OPEB liability	<hr/> 54,750
Total noncurrent liabilities	<hr/> 2,675,867
Total liabilities	3,582,659
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Related to the TMRS pension	189,209
Related to the TMRS OPEB	<hr/> 2,865
Total deferred inflows of resources	192,074
<b>NET POSITION</b>	
Net investment in capital assets	29,067,806
Restricted for revenue bond retirement	185,657
Unrestricted	<hr/> 8,013,996
<b>TOTAL NET POSITION</b>	<hr/> <hr/> \$ 37,267,459

The Notes to the Basic Financial Statements are an integral part of these statements.

# City of Saginaw, Texas

## Statement of Revenues, Expenses and Changes in Fund Net Position

### Proprietary Funds

For the Fiscal Year Ended September 30, 2021

	<u>Enterprise Fund</u>
<b>OPERATING REVENUES</b>	
Water and sewer sales	\$ 9,112,882
Penalties	90,214
Surcharges	1,559,642
Miscellaneous	58,964
	<hr/>
Total operating revenue	10,821,702
<b>OPERATING EXPENSES</b>	
Cost of sales and services	6,473,184
Administrative	2,146,607
Depreciation	1,029,835
	<hr/>
Total operating expenses	9,649,626
	<hr/>
Operating income	1,172,076
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Investment income	4,846
Gain on sale of machinery and equipment	3,960
Interest expense and agent fees	(34,238)
	<hr/>
Total nonoperating revenues (expenses)	(25,432)
	<hr/>
Income before capital contributions and transfers	1,146,644
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	
Impact and tap fees	43,434
Transfers out	(716,430)
Transfers in	91,130
	<hr/>
Total capital contributions and transfers	(581,866)
	<hr/>
Change in net position	564,778
Net position, beginning of year	36,702,681
	<hr/>
<b>NET POSITION, end of year</b>	<u>\$ 37,267,459</u>

The Notes to the Basic Financial Statements are an integral part of these statements.

**City of Saginaw, Texas**  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended September 30, 2021

	<u>Enterprise Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 10,903,149
Cash paid to employees	(1,150,212)
Cash paid to suppliers	(7,497,670)
	<hr/>
Net cash provided by operating activities	2,255,267
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers out to other funds	(716,430)
Transfers from other funds	91,130
	<hr/>
Net cash used in noncapital financing activities	(625,300)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Proceeds from sale of machinery and equipment	3,960
Impact and tap fees	43,434
Principal paid on bonds	(210,000)
Purchase of capital assets	(1,694,387)
Interest and fees paid on debt issuance	(29,019)
	<hr/>
Net cash used in capital and related financing activities	(1,886,012)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	4,846
	<hr/>
Net cash provided by investing activities	4,846
	<hr/>
Net change in cash	(251,199)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<hr/> 9,731,261
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<hr/> <hr/> \$ 9,480,062

The Notes to the Basic Financial Statements are an integral part of these statements.



**City of Saginaw, Texas**  
Statement of Cash Flows – Continued  
Proprietary Funds  
For the Fiscal Year Ended September 30, 2021

	Current Assets	Enterprise Fund Restricted Assets		Statement of Cash Flows Totals
	<u>Assets</u>	<u>Current</u>	<u>Noncurrent</u>	<u>Totals</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION</b>				
Cash and cash equivalents - beginning	\$ 8,847,070	\$ 185,900	\$ 698,291	\$ 9,731,261
Net increase (decrease)	<u>(276,304)</u>	<u>(243)</u>	<u>25,348</u>	<u>(251,199)</u>
Cash and cash equivalents - ending	<u>\$ 8,570,766</u>	<u>\$ 185,657</u>	<u>\$ 723,639</u>	<u>\$ 9,480,062</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income				\$ 1,172,076
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation				1,029,835
(Increase) Decrease in accounts receivable				56,099
(Increase) Decrease in deferred outflows of resources-pension				6,065
(Increase) Decrease in deferred outflows of resources-OPEB				(5,845)
Increase (Decrease) in accounts payable and accrued expenses				53,435
Increase (Decrease) in customer deposits				25,348
Increase (Decrease) in net pension liability				(50,152)
Increase (Decrease) in total OPEB liability				11,323
Increase (Decrease) in deferred inflows of resources-pension				<u>(42,917)</u>
Net cash provided by operating activities				<u>\$ 2,255,267</u>
<b>SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING, CAPITAL AND INVESTING ACTIVITIES</b>				
Capital asset contributions from developers				<u>\$ -</u>

The Notes to the Basic Financial Statements are an integral part of these statements.



**City of Saginaw**

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

#### Note 1. Summary of Significant Accounting Policies

##### A. General Statement

The City of Saginaw (the City) was incorporated in 1949. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: general government, court, police and fire protection, street maintenance, building inspection services, library services, animal services, recreation, parks operation and maintenance, and maintenance and operation of City-owned buildings. The City contracts with the City of Fort Worth for water purchases and wastewater service but owns the waterworks and wastewater systems within the City.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the City are described below.

##### B. Financial Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either there is ongoing financial benefit or burden or operational responsibility. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has operational responsibility for an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government. Complete financial statements for the individual component units may be obtained at the City's office.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

The following entity was found to be a component unit of the City and is included in the combined financial statements:

*Blended Component Unit* – The Saginaw Crime Control and Prevention District (CCPD) serves all the citizens of the City and is used to account for the accumulation and use of resources to add law enforcement officers and purchase additional equipment for law enforcement purposes. The governing body of the Saginaw CCPD Fund is the same as that of the primary government and the primary government has operational responsibility. The Saginaw CCPD is reported as a governmental activity in the government-wide financial statements and as a Special Revenue Fund in the governmental financial statements.

#### C. Basis of Presentation

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City, except for fiduciary funds. The effect of interfund activity, within the governmental and business-type activities columns, have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

#### Fund Financial Statements

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The City has presented the following major governmental funds:

**General Fund.** The general fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

**Debt Service Fund.** The debt service fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted to signify the amounts that are restricted exclusively for debt service expenditures.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

**Capital Projects Fund.** The capital projects fund is used to account for funds received and expended for the construction and renovation of thoroughfares, arterial streets and drainage improvements in the City and construction, renovation, expansion and major improvement of various City facilities, acquisition of land and other large nonrecurring projects.

Proprietary Funds are those funds for activities supported by user fees and charges. The accounting objectives are determinations of net income, financial position and cash flow. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the Statement of Net Position. The City has presented the following major proprietary fund:

**Enterprise Fund.** The Enterprise Fund is used to account for the provision of water and wastewater services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and wastewater system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of long-term debt principal and interest for water and wastewater debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### **D. Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and wastewater services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

#### **E. Budgetary Control**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the City administration submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of a resolution.
4. Any revisions that alter the total expenditures of any fund must be approved by the City Council. The City Council amended the budget during the year.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Saginaw CCPD Fund, Enterprise Fund and Debt Service Fund. A budget is legally adopted for the General Fund, Saginaw CCPD Fund, Drainage Utility Fund, Street Maintenance Fund, Donations Funds, Escrow Fund, and Debt Service Fund.

Budgets for the General Fund, Saginaw CCPD Fund, Drainage Utility Fund, Street Maintenance Fund, Donations Funds, Escrow Fund, and Debt Service Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

All appropriations lapse on September 30 of the fiscal year.

Budgeted amounts are as originally adopted or as amended by the City Council.

#### **F. Cash and Investments**

Cash of all funds, including restricted cash, is pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's pooled cash and investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with a maturity of ninety days or less are also considered "cash equivalents."

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

State statutes authorize the City to invest in obligations of the U.S. Government or its agencies; obligations of the State of Texas or its agencies; and certain other obligations, repurchase agreements, money market mutual funds and certificates of deposits within established criterion.

#### **G. Interfund Receivables and Payables**

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

# City of Saginaw, Texas

## Notes to the Basic Financial Statements

### H. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are reported at acquisition value. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	40 Years
Water and Wastewater System	50 Years
Infrastructure	10-50 Years
Equipment	5-25 Years
Improvements	20 Years

### I. Accumulated Vacation, Compensatory Time and Sick Leave

City employees earn vacation leave and compensatory time off for holidays worked. All annual vacation leave must be taken within one year after it is earned unless an exception has been granted by the City Manager. All earned vacation leave not taken within one year of its accumulation will be forfeited. Unused sick leave accumulated during the year is carried over into the next year with a maximum accrual of forty working days or twenty shifts. At the time of resignation or retirement, employees with ten or more years of service will be paid for unused sick leave. The compensated absences liability increased \$962 over the course of the fiscal year and ended September 30, 2021 with a liability of \$1,192,339.

### J. Nature and Purpose of Designations of Fund Balance

The City follows Governmental Accounting Standards Board Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) for classification of fund balances. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

Fund balance categories under GASB 54 are Nonspendable and Spendable. Classifications under the Spendable category are Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

In accordance with GASB 54, the City classifies governmental fund balances in its financial statements, as follows:

#### **1. *Nonspendable Fund Balance***

Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and/or prepaid/deferred items.

#### **2. *Spendable Fund Balance***

- a. **Restricted Fund Balance** – Includes amounts that can be spent only for the specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments' laws and regulations. Examples include federal and state grant programs, retirement of long-term debt, and construction.
  - i. The aggregate fund balance of the debt service fund is legally restricted for payment of bonded indebtedness and is not available for other purposes until all bonded indebtedness is liquidated.
  - ii. The fund balance of the capital projects fund reflects an amount restricted for construction and major renovation projects, and it usually represents unexpended proceeds from the sale of bonds, which primarily have restricted use.
  - iii. The proceeds of specific revenue sources that is restricted to expenditures for specified purposes as designated by grantors, contributors, by vote of citizens, or governmental entities over state or local program grants.
- b. **Committed Fund Balance** – Includes amounts that can be used only for the specific purposes as determined by the governing body by use of a resolution, recorded in the minutes of the governing body. Commitments may be changed or lifted only by the governing body taking the same formal action that imposed the constraint originally. Examples include, but not specifically limited to, council action regarding construction, claims, and judgments, retirement of loans/notes payable, and capital expenditures. The City Council must take action to commit funds for a specific purpose prior to the end of the fiscal year, but the amount of the commitment may be determined after the end of the fiscal year.
- c. **Assigned Fund Balance** – Includes amounts intended to be used by the City for specific purposes. Pursuant to GASB 54, this intent can be expressed by an official or body to which the governing body delegates that authority. Through a resolution, the City has delegated the City Manager to determine and define the amounts of those components of fund balance that are classified as Assigned. Examples take on the similar appearance as those enumerated for committed fund balance, including the appropriation of existing fund balance to eliminate a deficit in next year's budget.
- d. **Unassigned Fund Balance** – Includes the residual classification of the General Fund and includes all amounts not contained in other classifications. By accounting for amounts in other funds, the City has implicitly assigned the funds for the purposes of those particular funds.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be extended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly unassigned fund balance.



## City of Saginaw, Texas

### Notes to the Basic Financial Statements

At the end of each fiscal year, the General Fund should maintain unassigned fund balance that is no less than 25% of the subsequent year's General Fund appropriated operating expenditure budget. This target amount has been established in order to provide a reasonable level of assurance that the City's day-to-day operations will be able to continue even if circumstances occur where revenues are insufficient to cover expenditures.

#### **K. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. In circumstances where an expense is to be made for a purpose for which amounts are available in multiple net position classifications, restricted position will be fully utilized first followed by unrestricted as necessary.

#### **L. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS' consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

Pension liabilities are generally liquidated with resources of the general fund and enterprise fund.

#### **M. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the City's actuary report. For this purpose, OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Information regarding the City's total OPEB liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

OPEB liabilities are generally liquidated with resources of the general fund and enterprise fund.

# City of Saginaw, Texas

## Notes to the Basic Financial Statements

### N. Management’s Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates. The assumptions utilized for purposes of measuring the net pension liability, total OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension/OPEB expense for a year can and does vary from actual results.

### Note 2. Cash and Investments

Cash and investments as of September 30, 2021 consist of the following:

Deposits with financial institutions	\$	1,900,931
Investments		<u>56,987,897</u>
	<u>\$</u>	<u>58,888,828</u>

### Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by investing mainly in investment pools which purchase a combination of shorter term investments with an average maturity of less than 30 days thus reducing the interest rate risk. The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The City has no specific limitations with respect to this metric.

As of September 30, 2021, the City had the following investments:

<u>Investment Type</u>	<u>Weighted Average Amount</u>	<u>Maturity</u>
TexPool	\$ 56,987,897	34 days

As of September 30, 2021, the City did not invest in any securities which are highly sensitive to interest rate fluctuations.

### Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the City’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Rating as of September 30, 2021</u>
TexPool	\$ 56,987,897	AAA	AAAm

## **City of Saginaw, Texas**

### Notes to the Basic Financial Statements

#### **Concentration of Credit Risk**

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. As of September 30, 2021, other than external investment pools, the City did not have 5% or more of its investments with one issuer.

#### **Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Public Funds Investment Act and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

At September 30, 2021, the carrying amount of the City's cash on hand and deposits were \$1,900,931 and the bank balance was \$2,718,015. \$250,000 of the bank balance was covered by depository insurance under the FDIC, with the remaining \$2,468,015 secured with securities held by pledging financial institutions.

#### **Investment in State Investment Pools**

The Texpool investment pool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less and weighted average lives of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. Texpool has a redemption notice period of one day and may redeem daily. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity. Texpool is subject to regulatory oversight by the State Treasurer, although it is not registered with the Securities and Exchange Commission.

**City of Saginaw, Texas**  
Notes to the Basic Financial Statements

**Note 3. Restricted Assets**

Restricted assets in the Enterprise Fund are held for the following purposes in accordance with bond ordinances or other legal restrictions:

Debt Service - Interest and Sinking Fund	
Cash and investments	\$ 185,657
Refundable water and wastewater deposits	<u>723,639</u>
 Total	 <u><u>\$ 909,296</u></u>

**Note 4. Notes Receivable**

During the year ended September 30, 2018, the City loaned \$460,000 to a residential developer to construct the Mariposa Apartment Homes at Spring Hollow. The purpose of the Loan was to assist Spring Hollow in meeting the requirements for a federal tax credit. As of September 30, 2021, the outstanding balance was \$1,000. The remaining balance is due over a 15 year term, bearing an interest rate of 3%.

**Note 5. Capital Assets**

Capital asset activity for the year ended September 30, 2021, was as follows:

	Balance, October 1, 2020	Additions/ Completions	Retirements/ Adjustments	Balance, September 30, 2021
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 18,741,913	\$ 487,380	\$ -	\$ 19,229,293
Construction in progress	<u>6,331,829</u>	<u>16,010,437</u>	<u>(1,575,142)</u>	<u>20,767,124</u>
Total capital assets, not being depreciated	25,073,742	16,497,817	(1,575,142)	39,996,417
Capital assets being depreciated:				
Buildings	19,784,753	-	-	19,784,753
Improvements	2,497,588	459,175	(50,253)	2,906,510
Infrastructure	121,180,527	737,688	-	121,918,215
Equipment	<u>10,452,258</u>	<u>1,039,103</u>	<u>(93,406)</u>	<u>11,397,955</u>
Total capital assets, being depreciated	153,915,126	2,235,966	(143,659)	156,007,433
Less accumulated depreciation for:				
Buildings	8,140,337	494,506	-	8,634,843
Improvements	1,122,536	122,730	(1,356)	1,243,910
Infrastructure	61,436,917	3,267,289	-	64,704,206
Equipment	<u>5,971,948</u>	<u>826,117</u>	<u>(93,406)</u>	<u>6,704,659</u>
Total accumulated depreciation	<u>76,671,738</u>	<u>4,710,642</u>	<u>(94,762)</u>	<u>81,287,618</u>
Total capital assets being depreciated, net	<u>77,243,388</u>	<u>(2,474,676)</u>	<u>(48,897)</u>	<u>74,719,815</u>
<b>Governmental activities capital assets, net</b>	<u><u>\$ 102,317,130</u></u>	<u><u>\$ 14,023,141</u></u>	<u><u>\$ (1,624,039)</u></u>	<u><u>\$ 114,716,232</u></u>

**City of Saginaw, Texas**  
Notes to the Basic Financial Statements

	Balance, October 1, 2020	Additions/ Completions	Retirements/ Adjustments	Balance, September 30, 2021
<b>Business-type Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 16,657	\$ -	\$ -	\$ 16,657
Construction in progress	173,961	1,057,561	-	1,231,522
Total capital assets, not being depreciated	190,618	1,057,561	-	1,248,179
Capital assets, being depreciated:				
Buildings	154,587	-	-	154,587
Water and wastewater system	41,599,558	589,296	-	42,188,854
Equipment	1,591,260	47,530	(17,653)	1,621,137
Total capital assets, being depreciated	43,345,405	636,826	(17,653)	43,964,578
Less accumulated depreciation				
Buildings	78,988	3,540	-	82,528
Water and wastewater system	12,940,241	884,569	-	13,824,810
Equipment	1,125,804	141,726	(17,653)	1,249,877
Total accumulated depreciation	14,145,033	1,029,835	(17,653)	15,157,215
Total capital assets being depreciated, net	29,200,372	(393,009)	-	28,807,363
<b>Business-type activities capital assets, net</b>	<b>\$ 29,390,990</b>	<b>\$ 664,552</b>	<b>\$ -</b>	<b>\$ 30,055,542</b>

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental activities:	
General administrative office	\$ 135,596
Municipal court	2,163
Fire	237,448
Police	432,740
Public works	3,454,068
Community services	177,293
Library	44,492
Inspections/code enforcement	14,654
Animal services	11,104
Fleet maintenance	44,614
Parks	150,599
Information technology	5,871
	<u>\$ 4,710,642</u>
Business-type activities:	
Water and wastewater	<u>\$ 1,029,835</u>

The City has active construction projects as of September 30, 2021. Total accumulated commitments for capital projects are \$11,129,677 for the Capital Projects Fund and \$125,562 for the Enterprise Fund.

**City of Saginaw, Texas**  
Notes to the Basic Financial Statements

**Note 6. Long-Term Debt**

At September 30, 2021, the City's bonds payable consisted of the following:

	<u>Governmental</u>	<u>Business-type</u>
2013 General Obligation Refunding Bonds, dated August 29, 2013, due in annual installments through September 1, 2033, bearing interest rates of 2% to 4.1%.	\$ 5,620,000	\$ -
2014 General Obligation Refunding Bonds, dated April 8, 2014, due in annual installments through September 1, 2024, bearing an interest rate of 1.99%.	685,000	75,000
2015 General Obligation Bonds, dated September 7, 2015, due in annual installments through September 1, 2035, bearing an interest rate of 1.00% through 3.50%.	5,760,000	-
2015 General Obligation Refunding Bonds, dated December 22, 2015, due in annual installments through September 1, 2027, bearing an interest rate of 1.98%.	-	935,000
2016 General Obligation Refunding Bonds, dated June 21, 2016, due in annual installments through September 1, 2027, bearing an interest rate of 1.69%.	2,655,000	-
2017 General Obligation Bonds, dated June 1, 2017, due in annual installments through September 1, 2037, bearing an interest rate of 3.00%.	6,645,000	-
2019 Tax Notes, dated September 17, 2019, due in annual installments through March 1, 2026, bearing an interest rate of 1.40%.	1,160,000	-
2019 General Obligation Refunding Bonds, dated November 13, 2019, due in annual installments through September 1, 2025, bearing an interest rate of 1.63%.	1,060,000	-
2020 General Obligation Refunding Bonds, dated June 1, 2020, due in annual installments through September 1, 2030, bearing an interest rate of 1.11%.	1,030,000	-
2020 Certificates of Obligation Bonds, dated August 15, 2020, due in annual installments through September 1, 2040, bearing interest rates of 2% to 4%.	17,310,000	-
2021 General Obligation Bonds, dated August 1, 2021, due in annual installments through September 1, 2041, bearing an interest rate of 2% to 4%.	8,435,000	-
Premium on bonds	<u>4,270,201</u>	<u>-</u>
Total bonds payable	<u>\$ 54,630,201</u>	<u>\$ 1,010,000</u>

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

During 2021, The City issued \$8,435,000 of Series 2021 General Obligation Bonds. The debt was issued to pay the costs of capital projects. The Bonds have an annual interest rate ranging from 2% to 4% and the obligations are payable over the next 20 years.

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2021:

	Balance, October 1, 2020	Increases	Decreases	Balance, September 30, 2021	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 25,735,000	\$ 8,435,000	\$ (2,280,000)	\$ 31,890,000	\$ 2,835,000
Certificates of obligation	17,345,000	-	(35,000)	17,310,000	100,000
Tax notes	1,570,000	-	(410,000)	1,160,000	225,000
Premiums on bonds	3,764,136	751,487	(245,422)	4,270,201	-
Net pension liability	10,316,997	-	(405,779)	9,911,218	-
Total OPEB liability	350,382	91,615	-	441,997	-
<b>Total governmental activities</b>	<b>\$ 59,081,515</b>	<b>\$ 9,278,102</b>	<b>\$ (3,376,201)</b>	<b>\$ 64,983,416</b>	<b>\$ 3,160,000</b>
Business-type activities:					
General obligation bonds	\$ 1,220,000	\$ -	\$ (210,000)	\$ 1,010,000	\$ 220,000
Net pension liability	1,157,630	-	(50,152)	1,107,478	-
Total OPEB liability	43,427	11,323	-	54,750	-
<b>Total business-type activities</b>	<b>\$ 2,421,057</b>	<b>\$ 11,323</b>	<b>\$ (260,152)</b>	<b>\$ 2,172,228</b>	<b>\$ 220,000</b>

The City issues general obligation bonds and certificates of obligation. General obligation bonds and certificates of obligation are direct obligations of the City and pledge the full faith and credit of the City.

The annual requirements to amortize all debts outstanding as of September 30, 2021, are as follows:

<u>General Obligation Bonds</u>			
Due Fiscal Year Ending	<u>Governmental Activities</u>		
September 30,	Principal	Interest	Total
2022	\$ 2,835,000	\$ 922,361	\$ 3,757,361
2023	2,680,000	831,763	3,511,763
2024	2,425,000	767,823	3,192,823
2025	2,145,000	704,898	2,849,898
2026	2,090,000	647,820	2,737,820
2027-2031	9,180,000	2,343,888	11,523,888
2032-2036	7,545,000	900,093	8,445,093
2037-2041	2,990,000	165,950	3,155,950
<b>Totals</b>	<b>\$ 31,890,000</b>	<b>\$ 7,284,596</b>	<b>\$ 39,174,596</b>

**City of Saginaw, Texas**  
Notes to the Basic Financial Statements

<u>Certificates of Obligation</u>			
Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2022	\$ 100,000	\$ 640,700	\$ 740,700
2023	100,000	637,700	737,700
2024	425,000	634,700	1,059,700
2025	800,000	626,200	1,426,200
2026	815,000	610,200	1,425,200
2027-2031	4,480,000	2,641,900	7,121,900
2032-2036	5,425,000	1,701,000	7,126,000
2037-2041	5,165,000	526,600	5,691,600
<b>Totals</b>	<b>\$ 17,310,000</b>	<b>\$ 8,019,000</b>	<b>\$ 25,329,000</b>
<u>Tax Notes</u>			
Due Fiscal Year Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2022	\$ 225,000	\$ 14,665	\$ 239,665
2023	230,000	11,480	241,480
2024	230,000	8,260	238,260
2025	235,000	5,005	240,005
2026	240,000	1,680	241,680
<b>Totals</b>	<b>\$ 1,160,000</b>	<b>\$ 41,090</b>	<b>\$ 1,201,090</b>
<u>General Obligation Bonds</u>			
Due Fiscal Year Ending September 30,	Business-type Activities		
	Principal	Interest	Total
2022	\$ 220,000	\$ 20,004	\$ 240,004
2023	150,000	15,642	165,642
2024	155,000	12,672	167,672
2025	160,000	9,603	169,603
2026	160,000	6,435	166,435
2027-2031	165,000	3,267	168,267
<b>Totals</b>	<b>\$ 1,010,000</b>	<b>\$ 67,623</b>	<b>\$ 1,077,623</b>

**Note 7. Property Tax**

Property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business property located in the City. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the City Council.



## City of Saginaw, Texas

### Notes to the Basic Financial Statements

Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax assessments are automatic on January 1, each year. Penalties and interest are included for any payment received after January 31. Penalties start at 6% of the outstanding balance, respectively and increase to 12% for payments received after July 1. Interest increases 1% for each month the balance is outstanding after January 31.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual have been recognized as revenue. Property taxes are recorded net of the allowance for uncollectible taxes (\$164,471 for the General Fund and \$147,841 for the Debt Service Fund). The allowance is evaluated annually based upon analysis of historical trends, current economic conditions and other pertinent factors. Uncollectible personal property taxes are written off upon expiration of the five year statute of limitations.

#### Note 8. Pension Plan

##### Plan Description

The City of Saginaw participates as one of 895 plans in the defined benefit cash balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of the System with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tMrs.com](http://www.tMrs.com).

All eligible employees of the city are required to participate in TMRS.

##### Benefits

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes. Plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2-1
A member is vested after	5 years
Updated service credit	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI Repeating

Members can retire at certain ages, based on the years of service with the City. The Service Retirement Eligibilities for the City are 5 years at 60 years of age or 20 years at any age.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

#### Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	70
Inactive employees entitled to but not yet receiving benefits	89
Active employees	147
	<hr/>
	306
	<hr/> <hr/>

#### Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of the Member's total compensation, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The city's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City of Saginaw were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Saginaw were 21.67% and 21.11% in calendar years 2020 and 2021, respectively. The city's contributions to TMRS for the year ended September 30, 2021, were \$2,043,664 and were equal to the required contributions.

#### Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

#### Actuarial Assumptions

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
<b>Total</b>	<b>100.0%</b>	

#### Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

**City of Saginaw, Texas**  
Notes to the Basic Financial Statements

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2019	\$ 46,553,789	\$ 35,079,162	\$ 11,474,627
Changes for the year:			
Service cost	1,762,184	-	1,762,184
Interest	3,152,810	-	3,152,810
Change of benefit terms	-	-	-
Difference between expected and actual experience	(1,584)	-	(1,584)
Changes of assumptions	-	-	-
Contributions - employer	-	2,057,464	(2,057,464)
Contributions - employee	-	664,617	(664,617)
Net investment income	-	2,665,162	(2,665,162)
Benefit payments, including refunds of employee contributions	(1,453,169)	(1,453,169)	-
Administrative expense	-	(17,230)	17,230
Other changes	-	(672)	672
Net changes	3,460,241	3,916,172	(455,931)
<b>Balance at December 31, 2020</b>	<b>\$ 50,014,030</b>	<b>\$ 38,995,334</b>	<b>\$ 11,018,696</b>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 18,519,844	\$ 11,018,696	\$ 4,896,991

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at [www.tmr.com](http://www.tmr.com).

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2021, the City recognized pension expense of \$1,261,013.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

At September 30, 2021, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ (683,052)
Changes in actuarial assumptions	97,418	-
Difference between projected and actual investment earnings	-	(992,040)
Contributions subsequent to the measurement date	1,457,610	-
<b>Totals</b>	<b>\$ 1,555,028</b>	<b>\$ (1,675,092)</b>

\$1,457,610 was reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 30, 2021 (i.e. recognized in the City's financial statements for the year ended September 30, 2022). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2021	\$ (581,695)
2022	(178,002)
2023	(709,492)
2024	(108,437)
2025	(48)
<b>Totals</b>	<b>\$ (1,577,674)</b>

## Note 9. Postemployment Benefits Other Than Pensions

### Plan Description

The City participates in a single employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan.

The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The city may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

#### Benefits

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of \$7,500.

#### Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	56
Inactive employees entitled to but not yet receiving benefits	18
Active employees	147
	<hr/>
	221
	<hr/> <hr/>

#### Total OPEB Liability

The City's total OPEB liability of \$496,747 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

#### Actuarial Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Overall payroll growth	3.5% to 11.5%, including inflation
Discount Rate	2.00%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables and due to the size of the City, rates are multiplied by an additional factor of 100%. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees is used with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor. Mortality rates for pre-retirement were based on the PUB(10) mortality tables, with the Public Safety table used for males and General Employee table used for females. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements.

**City of Saginaw, Texas**  
Notes to the Basic Financial Statements

**Discount Rate**

The discount rate used to measure the total OPEB liability was 2.00%. The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

	<u>Total OPEB Liability</u>
Balance at December 31, 2019	\$ 393,809
Changes for the year:	
Service cost	22,787
Interest	11,104
Change of benefit terms	-
Difference between expected and actual experience	2,855
Changes of assumptions or other inputs	69,040
Benefit payments	<u>(2,848)</u>
Net changes	<u>102,938</u>
<b>Balance at December 31, 2020</b>	<b><u><u>\$ 496,747</u></u></b>

**Sensitivity of the net OPEB liability to changes in the discount rate**

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.00%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00%) or 1-percentage-point higher (3.00%) than the current rate:

	<u>1% Decrease in Discount Rate (1.00%)</u>	<u>Discount Rate (2.00%)</u>	<u>1% Increase in Discount Rate (3.00%)</u>
City's OPEB liability	\$ 613,588	\$ 496,747	\$ 407,695

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2021, the City recognized OPEB expense of \$47,141.

At September 30, 2021, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ (27,222)
Changes in actuarial assumptions	103,933	-
Contributions subsequent to the measurement date	<u>4,833</u>	<u>-</u>
Total	<u><u>\$ 108,766</u></u>	<u><u>\$ (27,222)</u></u>

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

\$4,833 was reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date and will be recognized as a reduction of the net OPEB liability for the measurement year ending December 30, 2021 (i.e. recognized in the City's financial statements for the year ended September 30, 2022). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>Year ended December 31,</u>	
2021	\$	13,250
2022		13,250
2023		13,250
2024		11,447
2025		12,160
Thereafter		<u>13,354</u>
Total	<u>\$</u>	<u>76,711</u>

#### Note 10. Commitments

The City renewed a twenty (20) year contract in 2017 with the City of Fort Worth for the treatment and transportation of wastewater. Payments under this contract are on a strength and volume basis per month. Also, there is a twenty-five dollar (\$25) per meter monthly service charge.

The City renewed a twenty (20) year contract in 2010 with the City of Fort Worth for the delivery of treated water. Payments under this contract are on a volume and rate of use basis per month. There is also a twenty-five dollar (\$25) per meter monthly service charge.

The City entered into an agreement in 2019, under Chapter 380 of the Texas Local Government Code, for the reimbursement of \$2,000,000 for the development costs for property development and roadway improvements. As of September 30, 2021, no costs have been incurred or reimbursed.

#### Note 11. Interfund Balances and Transfers

Interfund balances reflect payments made by one fund on behalf of another fund for which cash settlement has not been made as of the end of the accounting period. Amounts due to and from other funds will be settled within the next accounting period. As of September 30, 2021, interfund balances outstanding were between the General Fund and the Capital Projects Fund as follows:

	<u>Due From Capital Projects Fund</u>	<u>Total</u>
Due To General Fund	<u>\$ 624,005</u>	<u>\$ 624,005</u>
Total	<u>\$ 624,005</u>	<u>\$ 624,005</u>

The due to General Fund from the Capital Projects Fund is the result of the General Fund funding a capital project prior to fiscal year end.



## City of Saginaw, Texas

### Notes to the Basic Financial Statements

All interfund transfers between the various funds are approved supplements to the operations of those funds.

Receivable Fund	Payable Fund	Amount
General Fund	Enterprise Fund	\$ 716,430
General Fund	Crime Control and Prevention District	1,034,065
General Fund	Donations Fund	16,120
General Fund	Escrow Fund	71,383
General Fund	Drainage Utility Fund	118,515
Capital Projects Fund	General Fund	2,600,000
Enterprise Fund	Drainage Utility Fund	91,130
Escrow Fund	General Fund	274,681
		\$ 4,922,324

Transfers are primarily used to move funds from:

- The Enterprise Fund to the General Fund for vehicle maintenance expenses and operating expenses.
- The Saginaw CCPD Fund to the General Fund for salaries and related expenses for ten Police Officers, one Public Services Officer, one Dispatcher, and half (1/2) of one of the School Resource Officers.
- The Donations Fund to the General Fund for two seasonal part-time Library Pages.
- The Escrow Fund to the General Fund for police over-time for bailiff duty.
- The Drainage Utility Fund to the General Fund for salaries and related expenses.
- The General Fund to the Capital Projects Fund for the Bailey Boswell Overpass project.
- The Drainage Utility Fund to the Enterprise Fund for half (1/2) of the cost of the Environmental Specialist and Environmental Assistant.
- The General Fund to the Escrow Fund for the annual contribution to the equipment replacement escrow.

#### Note 12. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City insures its buildings and contents, law enforcement liability, public officials' liability, general liability and auto liability under a renewable one year policy with the Texas Municipal League. The City insures its workers compensation risk by participating in the Texas Municipal League Intergovernmental Risk Pool which is a self-insurance policy mechanism for political subdivisions in Texas. Rates are set by the State Insurance Board. Each participant's contribution to the pool is adjusted based on its workers' compensation history. The City is responsible only to the extent of premiums paid and contributions made to Texas Municipal League and the Intergovernmental Risk Pool. There have been no significant changes in insurance coverage as compared to last year and settlements have not exceeded coverage in each of the past three fiscal years.

## City of Saginaw, Texas

### Notes to the Basic Financial Statements

#### **Note 13. Tax Abatements and Economic Incentive Agreements**

Tax Abatements under Chapter 312 of the Texas Tax Code and economic incentive agreements under Chapter 380 of the Texas Tax Code allow the City to negotiate tax abatement agreements and economic incentive agreements with applicants. These agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. There were no property taxes abated under these programs in fiscal year 2021.

#### **Note 14. New Accounting Pronouncements**

The GASB pronouncements effective in fiscal years 2021 and 2022 are listed as follows:

The GASB issued Statement No. 84, Fiduciary Activities, which was effective for fiscal year 2021. The objective of this Statement is to establish standards of accounting and financial reporting for fiduciary activities. This Statement applies to all state and governmental entities. The City implemented this standard in fiscal year 2021 but it had no impact on the City.

The GASB issued Statement No. 87, Leases – This statement changes the recognition requirements for certain lease assets and liabilities for leases that are currently classified as operating leases. This statement will become effective for the City in fiscal year 2022.

The GASB issued Statement No. 90, Majority Equity Interests, An Amendment of GASB Statements No. 14 and 16, which was effective for fiscal year 2021. The objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement applies to all state and governmental entities. The City implemented this standard in fiscal year 2021 but it had no impact on the City.

The GASB issued Statement No. 92, Omnibus 2020. This Statement establishes accounting and financial reporting requirements for specific issues related to leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. This statement will become effective for the City in fiscal year 2022.

The GASB issued Statement No. 93, Replacement of Interbank Offered Rates. This Statement establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. This statement will become effective for the City in fiscal year 2021/2022.

The GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. This Statement modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This statement will become effective for the City in fiscal year 2022/immediately.

## **City of Saginaw, Texas**

### Notes to the Basic Financial Statements

The GASB issued Statement No. 98, The Annual Comprehensive Financial Report. This Statement was issued in October 2021 and establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The City implemented this standard in fiscal year 2021. The implementation of this standard changed the report name to the Annual Comprehensive Financial Report.

#### **Note 15. Subsequent Events**

The City has evaluated all events and transactions that occurred after September 30, 2021 through January 13, 2022, the date the financial statements were issued.



**City of Saginaw**

## Required Supplementary Information



**City of Saginaw**

**City of Saginaw, Texas**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Texas Municipal Retirement System**

	Year Ended December 31						
	2014	2015	2016	2017	2018	2019	2020
<b>TOTAL PENSION LIABILITY</b>							
Service cost	\$ 1,094,648	\$ 1,192,902	\$ 1,237,546	\$ 1,287,912	\$ 1,567,813	\$ 1,671,277	\$ 1,762,184
Interest (on the total pension liability)	2,004,340	2,134,257	2,224,580	2,372,294	2,777,269	2,979,679	3,152,810
Changes of benefit terms	-	-	-	-	3,431,070	-	-
Difference between expected and actual experience	(494,746)	(194,482)	(306,070)	(93,610)	(144,360)	(819,741)	(1,584)
Change of assumptions	-	89,204	-	-	-	147,074	-
Benefit payments, including refunds of employee contributions	(793,956)	(800,864)	(752,837)	(1,232,910)	(1,043,059)	(1,464,519)	(1,453,169)
Net change in total pension liability	1,810,286	2,421,017	2,403,219	2,333,686	6,588,733	2,513,770	3,460,241
Total pension liability, beginning	28,483,078	30,293,364	32,714,381	35,117,600	37,451,286	44,040,019	46,553,789
<b>TOTAL PENSION LIABILITY, ending (a)</b>	<b>\$ 30,293,364</b>	<b>\$ 32,714,381</b>	<b>\$ 35,117,600</b>	<b>\$ 37,451,286</b>	<b>\$ 44,040,019</b>	<b>\$ 46,553,789</b>	<b>\$ 50,014,030</b>
<b>PLAN FIDUCIARY NET POSITION</b>							
Contributions - employer	\$ 1,247,471	\$ 1,351,553	\$ 1,404,336	\$ 1,427,850	\$ 1,491,686	\$ 1,924,856	\$ 2,057,464
Contributions - employee	433,652	453,288	472,046	488,154	513,196	631,692	664,617
Net investment income	1,120,846	31,855	1,527,402	3,497,782	(880,810)	4,556,996	2,665,162
Benefit payments, including refunds of employee contributions	(793,956)	(800,864)	(752,837)	(1,232,910)	(1,043,059)	(1,464,519)	(1,453,169)
Administrative expense	(11,699)	(19,398)	(17,251)	(18,123)	(17,017)	(25,732)	(17,230)
Other	(962)	(958)	(929)	(920)	(889)	(773)	(672)
Net change in plan fiduciary net position	1,995,352	1,015,476	2,632,767	4,161,833	63,107	5,622,520	3,916,172
Plan fiduciary net position, beginning	19,588,107	21,583,459	22,598,935	25,231,702	29,393,535	29,456,642	35,079,162
<b>PLAN FIDUCIARY NET POSITION, ending (b)</b>	<b>\$ 21,583,459</b>	<b>\$ 22,598,935</b>	<b>\$ 25,231,702</b>	<b>\$ 29,393,535</b>	<b>\$ 29,456,642</b>	<b>\$ 35,079,162</b>	<b>\$ 38,995,334</b>
<b>NET PENSION LIABILITY/ (ASSET), ending (a) - (b)</b>	<b>\$ 8,709,905</b>	<b>\$ 10,115,446</b>	<b>\$ 9,885,898</b>	<b>\$ 8,057,751</b>	<b>\$ 14,583,377</b>	<b>\$ 11,474,627</b>	<b>\$ 11,018,696</b>
Plan fiduciary net position as a percentage of total pension liability	71.25%	69.08%	71.85%	78.48%	66.89%	75.35%	77.97%
Covered payroll	\$ 7,227,528	\$ 7,554,795	\$ 7,867,428	\$ 8,135,894	\$ 8,553,265	\$ 9,024,174	\$ 9,494,529
Net pension liability as a percentage of covered payroll	120.51%	133.89%	125.66%	99.04%	170.50%	127.15%	116.05%

**Other Information:**

Notes

There were no benefit changes during the year.

Only seven years of data is presented in accordance with GASB 68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

**City of Saginaw, Texas**  
**Schedule of Contributions**  
**Texas Municipal Retirement System**

	Year Ended September 30						
	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 1,247,471	\$ 1,351,553	\$ 1,404,336	\$ 1,427,850	\$ 1,491,686	\$ 1,924,856	\$ 2,057,164
Contributions in relation to the actuarially determined contribution	1,327,755	1,416,758	1,437,537	1,488,506	1,819,055	1,943,565	2,060,541
Contribution deficiency (excess)	\$ (80,284)	\$ (65,205)	\$ (33,201)	\$ (60,656)	\$ (327,369)	\$ (18,709)	\$ (3,377)
Covered payroll	\$ 7,431,617	\$ 8,101,429	\$ 8,085,355	\$ 8,444,346	\$ 8,911,253	\$ 9,003,652	\$ 9,609,280
Contributions as a percentage of covered payroll	17.87%	17.49%	17.78%	17.63%	20.41%	21.59%	21.44%

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method Level	Level Percentage of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

**Other Information:**

Notes There were no benefit changes during the year.

Only seven years of data is presented in accordance with GASB 68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."



# City of Saginaw, Texas

## Schedule of Changes in Total OPEB Liability and Related Ratios

### Texas Municipal Retirement System

	Year Ended December 31			
	2017	2018	2019	2020
<b>TOTAL OPEB LIABILITY</b>				
Service cost	\$ 14,645	\$ 17,962	\$ 17,146	\$ 22,787
Interest	11,297	11,619	12,605	11,104
Change of benefit terms	-	-	-	-
Difference between expected and actual experience	-	(13,397)	(29,760)	2,855
Changes of assumptions or other inputs	27,069	(24,428)	63,993	69,040
Benefit payments*	(2,441)	(2,566)	(2,707)	(2,848)
Net change in total OPEB liability	50,570	(10,810)	61,277	102,938
Total OPEB liability, beginning	292,772	343,342	332,532	393,809
<b>Total OPEB LIABILITY, ending</b>	<b>\$ 343,342</b>	<b>\$ 332,532</b>	<b>\$ 393,809</b>	<b>\$ 496,747</b>
Covered-employee payroll	\$ 8,135,894	\$ 8,553,265	\$ 9,024,174	\$ 9,494,529
Total OPEB liability as a percentage of covered payroll	4.22%	3.89%	4.36%	5.23%

#### Other Information:

Notes: GASB 75, Paragraph 97, requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of December 31, 2020 - the period from January 30, 2020 - December 31, 2020.

Only four years of data is presented in accordance with GASB 75 paragraph 245. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

There are no assets accumulated in a trust that meets the criteria for GASB codification P22.101 or P52.1010 to pay related benefits for the OPEB plan.

# City of Saginaw, Texas

## Schedule of Revenues, Expenditures and Changes in Fund

### Balance – Budget and Actual – General Fund

For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Over / (Under)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 13,262,195	\$ 14,508,040	\$ 14,703,088	\$ 195,048
Licenses and permits	323,465	672,665	668,169	(4,496)
Charges for services	97,020	97,020	97,020	-
Fines and fees	561,750	945,600	1,092,420	146,820
Interest income	36,000	6,875	6,911	36
Recreation income	500,000	156,395	163,056	6,661
Intergovernmental	266,165	270,640	229,848	(40,792)
Miscellaneous revenues	125,000	120,970	170,872	49,902
Total revenues	15,171,595	16,778,205	17,131,384	353,179
<b>EXPENDITURES</b>				
Current:				
General administrative office	1,968,095	2,654,355	2,601,057	(53,298)
Municipal court	209,375	203,070	191,718	(11,352)
Fire	3,865,690	3,849,985	3,864,642	14,657
Police	5,332,000	5,014,690	5,018,523	3,833
Public works	1,551,570	1,670,015	1,652,954	(17,061)
Parks	379,570	364,455	337,404	(27,051)
Community services	1,080,960	662,005	645,986	(16,019)
Library	621,540	630,955	626,724	(4,231)
Inspections/code enforcement	692,230	705,655	716,646	10,991
Animal services	359,755	461,325	471,758	10,433
City garage	517,495	446,940	457,527	10,587
Economic development	320,950	146,650	140,178	(6,472)
Information technology	389,505	416,300	398,731	(17,569)
Total expenditures	17,288,735	17,226,400	17,123,848	(102,552)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(2,117,140)	(448,195)	7,536	455,731
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,882,330	1,950,845	1,956,513	5,668
Transfers out	(2,648,040)	(2,874,600)	(2,874,681)	(81)
Total other financing sources (uses)	(765,710)	(923,755)	(918,168)	5,587
Net change in fund balance	(2,882,850)	(1,371,950)	(910,632)	461,318
<b>FUND BALANCES, beginning of year</b>	12,956,413	12,956,413	12,956,413	-
<b>FUND BALANCES, end of year</b>	\$ 10,073,563	\$ 11,584,463	\$ 12,045,781	\$ 461,318

## **Combining and Individual Fund Statements and Schedules**



**City of Saginaw**

## **Non-Major Governmental Funds**

**City of Saginaw, Texas**  
 Combining Balance Sheet  
 Non-Major Governmental Funds  
 September 30, 2021

	Special Revenue						Total Other Governmental Funds
	Police Fund	Saginaw CCPD Fund	Drainage Utility Fund	Street Maintenance Fund	Donations Fund	Escrow Fund	
<b>ASSETS</b>							
Deposits and investments	\$ 15,410	\$ 556,325	\$ 3,112,103	\$ 1,646,846	\$ 526,434	\$ 2,338,101	\$ 8,195,219
Receivables							
Other	-	1,290	70,898	-	27,161	29,101	128,450
Taxes	-	290,939	-	99,629	-	-	390,568
<b>TOTAL ASSETS</b>	<b>\$ 15,410</b>	<b>\$ 848,554</b>	<b>\$ 3,183,001</b>	<b>\$ 1,746,475</b>	<b>\$ 553,595</b>	<b>\$ 2,367,202</b>	<b>\$ 8,714,237</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ 5,856	\$ 3,357	\$ 233	\$ 11,116	\$ 8,934	\$ 29,496
Unearned revenue	-	-	-	-	28,081	-	28,081
Total liabilities	-	5,856	3,357	233	39,197	8,934	57,577
Fund balances:							
Restricted:							
Street maintenance	-	-	-	1,746,242	-	-	1,746,242
Crime prevention	15,410	842,698	-	-	-	-	858,108
Drainage	-	-	3,179,644	-	-	-	3,179,644
Other special revenue	-	-	-	-	-	2,358,268	2,358,268
Committed:							
Donations	-	-	-	-	514,398	-	514,398
Total fund balances	15,410	842,698	3,179,644	1,746,242	514,398	2,358,268	8,656,660
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 15,410</b>	<b>\$ 848,554</b>	<b>\$ 3,183,001</b>	<b>\$ 1,746,475</b>	<b>\$ 553,595</b>	<b>\$ 2,367,202</b>	<b>\$ 8,714,237</b>

**City of Saginaw, Texas**  
 Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 Non-Major Governmental Funds  
 For the Fiscal Year Ended September 30, 2021

	Special Revenue						Total Other Governmental Funds
	Police Fund	Saginaw CCPD Fund	Drainage Utility Fund	Street Maintenance Fund	Donations Fund	Escrow Fund	
<b>REVENUES</b>							
Taxes	\$ -	\$ 1,618,874	\$ -	\$ 556,660	\$ -	\$ 82,924	\$ 2,258,458
Fines and fees	-	-	-	-	-	24,630	24,630
Intergovernmental	-	1,290	-	-	-	-	1,290
Miscellaneous	3,681	-	-	-	292,768	583,134	879,583
Interest income	8	172	1,284	741	159	784	3,148
Charges for services	-	-	823,078	-	-	-	823,078
Total revenues	3,689	1,620,336	824,362	557,401	292,927	691,472	3,990,187
<b>EXPENDITURES</b>							
Current:							
General operating	-	-	58,898	61,675	179,717	171,967	472,257
Police	-	84,709	-	-	-	-	84,709
Capital outlay	-	176,444	18,252	343,926	89,431	6,300	634,353
Total expenditures	-	261,153	77,150	405,601	269,148	178,267	1,191,319
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	3,689	1,359,183	747,212	151,800	23,779	513,205	2,798,868
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	274,681	274,681
Transfers out	-	(1,034,065)	(209,645)	-	(16,120)	(71,383)	(1,331,213)
Total other financing sources (uses)	-	(1,034,065)	(209,645)	-	(16,120)	203,298	(1,056,532)
Net change in fund balances	3,689	325,118	537,567	151,800	7,659	716,503	1,742,336
Fund balances, beginning of year	11,721	517,580	2,642,077	1,594,442	506,739	1,641,765	6,914,324
<b>FUND BALANCES, end of year</b>	\$ 15,410	\$ 842,698	\$ 3,179,644	\$ 1,746,242	\$ 514,398	\$ 2,358,268	\$ 8,656,660



**City of Saginaw**



## Special Revenue Funds

The following funds have legally adopted budgets:

Saginaw Crime Control and Prevention District Fund – Used to account for funds to be used to address crime control and prevention.

Drainage Utility Fund – Used to account for fees assessed on properties based on the amount of storm water runoff they produce and the costs of operating the storm drainage system.

Street Maintenance Fund – Used to account for the sales tax revenues restricted for the purpose of street maintenance and repairs.

Donations Fund – Used to account for donations received by the City committed for specific purposes.

Escrow Fund – Used to account for hotel/motel taxes, court technology and security fees, gas production proceeds, and insurance settlements received by the City.

**City of Saginaw, Texas**  
 Comparative Balance Sheets  
 Saginaw Crime Control and Prevention District Fund  
 September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Deposits and investments	\$ 556,325	\$ 295,190
Receivables		
Other	1,290	-
Taxes, net of allowance	<u>290,939</u>	<u>227,145</u>
<b>TOTAL ASSETS</b>	<u>\$ 848,554</u>	<u>\$ 522,335</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	<u>\$ 5,856</u>	<u>\$ 4,755</u>
Total liabilities	5,856	4,755
<b>FUND BALANCES</b>		
Restricted for crime prevention	<u>842,698</u>	<u>517,580</u>
Total fund balances	<u>842,698</u>	<u>517,580</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 848,554</u>	<u>\$ 522,335</u>

# City of Saginaw, Texas

## Schedule of Revenues, Expenditures and Changes in Fund

### Balance – Budget and Actual

#### Saginaw Crime Control and Prevention District Fund

For the Fiscal Year Ended September 30, 2021 and 2020

	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final	GAAP	Final Budget	GAAP
			Basis	Positive (Negative)	Basis
					2020
<b>REVENUE</b>					
Taxes	\$ 1,264,050	\$ 1,555,080	\$ 1,618,874	\$ 63,794	\$ 1,304,250
Intergovernmental	4,880	-	1,290	1,290	2,247
Interest income	960	960	172	(788)	3,633
Total revenues	1,269,890	1,556,040	1,620,336	64,296	1,310,130
<b>EXPENDITURES</b>					
Uniforms	7,100	7,100	10,761	(3,661)	7,319
Data processing	48,000	48,000	61,119	(13,119)	36,495
Officer supplies and equipment	2,000	2,000	457	1,543	14,492
Books	4,080	4,080	4,202	(122)	4,080
Crime prevention supplies	2,000	2,000	1,667	333	910
Maintenance and repairs	-	-	-	-	-
Tactical employee training	13,500	13,500	6,503	6,997	8,212
Capital outlay	213,860	213,860	176,444	37,416	151,499
Total expenditures	290,540	290,540	261,153	29,387	223,007
<b>EXCESS OF REVENUES</b>					
<b>OVER EXPENDITURES</b>	979,350	1,265,500	1,359,183	93,683	1,087,123
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	(1,034,065)	(1,034,065)	(1,034,065)	-	(1,047,305)
Total other financing sources (uses)	(1,034,065)	(1,034,065)	(1,034,065)	-	(1,047,305)
<b>NET CHANGE IN FUND BALANCES</b>	(54,715)	231,435	325,118	93,683	39,818
<b>FUND BALANCES, beginning of year</b>	517,580	517,580	517,580	-	477,762
<b>FUND BALANCES, end of year</b>	\$ 462,865	\$ 749,015	\$ 842,698	\$ 93,683	\$ 517,580

**City of Saginaw, Texas**  
 Comparative Balance Sheets  
 Drainage Utility Fund  
 September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Deposits and investments	\$ 3,112,103	\$ 2,579,261
Receivables		
Other	<u>70,898</u>	<u>77,644</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,183,001</u>	<u>\$ 2,656,905</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	<u>\$ 3,357</u>	<u>\$ 14,828</u>
Total liabilities	3,357	14,828
<b>FUND BALANCES</b>		
Restricted for drainage	<u>3,179,644</u>	<u>2,642,077</u>
Total fund balances	<u>3,179,644</u>	<u>2,642,077</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 3,183,001</u>	<u>\$ 2,656,905</u>

# City of Saginaw, Texas

## Schedule of Revenues, Expenditures and Changes in Fund

### Balance – Budget and Actual

#### Drainage Utility Fund

For the Fiscal Year Ended September 30, 2021 And 2020

	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final	GAAP	Final Budget	GAAP
			Basis	Positive (Negative)	Basis
					2020
<b>REVENUE</b>					
Interest income	\$ 6,000	\$ 1,270	\$ 1,284	\$ 14	\$ 23,503
Charges for services	816,000	822,990	823,078	88	815,726
Total revenues	822,000	824,260	824,362	102	839,229
<b>EXPENDITURES</b>					
Uniforms	1,200	1,200	691	509	846
Officer supplies and equipment	45,000	45,000	42,554	2,446	21,686
Disposal costs	10,000	10,000	240	9,760	6,000
Maintenance and repairs	-	-	10,500	(10,500)	271,898
Tactical employee training	1,000	1,000	1,120	(120)	799
Other	1,500	1,500	3,793	(2,293)	5,390
Capital outlay	1,478,100	29,000	18,252	10,748	310,658
Total expenditures	1,536,800	87,700	77,150	10,550	617,277
<b>EXCESS OF REVENUES</b>					
<b>OVER EXPENDITURES</b>	(714,800)	736,560	747,212	10,652	221,952
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	(209,645)	(209,645)	(209,645)	-	(215,960)
Total other financing sources (uses)	(209,645)	(209,645)	(209,645)	-	(215,960)
<b>NET CHANGE IN FUND BALANCES</b>	(924,445)	526,915	537,567	10,652	5,992
<b>FUND BALANCES, beginning of year</b>	2,642,077	2,642,077	2,642,077	-	2,636,085
<b>FUND BALANCES, end of year</b>	\$ 1,717,632	\$ 3,168,992	\$ 3,179,644	\$ 10,652	\$ 2,642,077

**City of Saginaw, Texas**  
 Comparative Balance Sheets  
 Street Maintenance Fund  
 September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Deposits and investments	\$ 1,646,846	\$ 1,581,675
Receivables		
Taxes	99,629	80,666
<b>TOTAL ASSETS</b>	<u>\$ 1,746,475</u>	<u>\$ 1,662,341</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 233	\$ 67,899
Total liabilities	233	67,899
<b>FUND BALANCES</b>		
Restricted for street maintenance	1,746,242	1,594,442
Total fund balances	1,746,242	1,594,442
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 1,746,475</u>	<u>\$ 1,662,341</u>

**City of Saginaw, Texas**

Schedule of Revenues, Expenditures and Changes in Fund

Balance – Budget and Actual

Street Maintenance Fund

For the Fiscal Year Ended September 30, 2021 And 2020

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2020
	Original	Final			
<b>REVENUE</b>					
Taxes	\$ 446,125	\$ 537,700	\$ 556,660	\$ 18,960	\$ 458,293
Interest income	4,800	735	741	6	15,548
Total revenues	450,925	538,435	557,401	18,966	473,841
<b>EXPENDITURES</b>					
Maintenance and repairs	230,000	60,000	61,675	(1,675)	276,362
Capital outlay	434,480	354,025	343,926	10,099	369,952
Total expenditures	664,480	414,025	405,601	8,424	646,314
<b>EXCESS (DEFICENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(213,555)	124,410	151,800	27,390	(172,473)
<b>FUND BALANCES, beginning of year</b>	1,594,442	1,594,442	1,594,442	-	1,766,915
<b>FUND BALANCES, end of year</b>	\$ 1,380,887	\$ 1,718,852	\$ 1,746,242	\$ 27,390	\$ 1,594,442

**City of Saginaw, Texas**  
 Comparative Balance Sheets  
 Donations Fund  
 September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Deposits and investments	\$ 526,434	\$ 508,125
Receivables		
Other	27,161	30,843
<b>TOTAL ASSETS</b>	<u>\$ 553,595</u>	<u>\$ 538,968</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 11,116	\$ 465
Unearned revenue	28,081	31,764
Total liabilities	39,197	32,229
<b>FUND BALANCES</b>		
Committed	514,398	506,739
Total fund balances	514,398	506,739
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 553,595</u>	<u>\$ 538,968</u>



# City of Saginaw, Texas

## Schedule of Revenues, Expenditures and Changes in Fund

### Balance – Budget and Actual

#### Donations Fund

For the Fiscal Year Ended September 30, 2021 and 2020

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2020
	Original	Final			
<b>REVENUE</b>					
Miscellaneous	\$ 301,195	\$ 294,125	\$ 292,768	\$ (1,357)	\$ 284,754
Interest income	840	840	159	(681)	2,525
Total revenues	302,035	294,965	292,927	(2,038)	287,279
<b>EXPENDITURES</b>					
Contract services	60,250	69,250	58,779	10,471	35,754
Data processing	12,000	12,000	3,090	8,910	7,951
Animal services	6,500	6,500	-	6,500	11,901
Supplies and equipment	82,950	82,950	101,383	(18,433)	83,012
Special programs	10,000	15,540	15,540	-	20,455
Other	1,000	1,000	925	75	2,511
Capital outlay	25,000	143,965	89,431	54,534	40,000
Total expenditures	197,700	331,205	269,148	62,057	201,584
<b>EXCESS (DEFICENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	104,335	(36,240)	23,779	60,019	85,695
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	(8,120)	(16,120)	(16,120)	-	(8,120)
Total other financing sources (uses)	(8,120)	(16,120)	(16,120)	-	(8,120)
<b>NET CHANGE IN FUND BALANCES</b>	96,215	(52,360)	7,659	60,019	77,575
<b>FUND BALANCES, beginning of year</b>	506,739	506,739	506,739	-	429,164
<b>FUND BALANCES, end of year</b>	\$ 602,954	\$ 454,379	\$ 514,398	\$ 60,019	\$ 506,739

**City of Saginaw, Texas**  
 Comparative Balance Sheets  
 Escrow Fund  
 September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Deposits and investments	\$ 2,338,101	\$ 1,635,946
Receivables		
Other	29,101	5,819
<b>TOTAL ASSETS</b>	<u>\$ 2,367,202</u>	<u>\$ 1,641,765</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 8,934	\$ -
Total liabilities	8,934	-
<b>FUND BALANCES</b>		
Restricted	2,358,268	1,641,765
Total fund balances	2,358,268	1,641,765
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,367,202</u>	<u>\$ 1,641,765</u>

# City of Saginaw, Texas

## Schedule of Revenues, Expenditures and Changes in Fund

### Balance – Budget and Actual

#### Escrow Fund

For the Fiscal Year Ended September 30, 2021 and 2020

	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final	GAAP Basis	Final Budget Positive (Negative)	GAAP Basis 2020
<b>REVENUE</b>					
Taxes	\$ 50,210	\$ 67,940	\$ 82,924	\$ 14,984	\$ 57,678
Fines and fees	12,320	22,590	24,630	2,040	18,590
Miscellaneous revenues	40,000	514,515	583,134	68,619	42,410
Interest income	2,655	51,650	784	(50,866)	13,331
Total revenues	105,185	656,695	691,472	34,777	132,009
<b>EXPENDITURES</b>					
Data processing	-	-	405	(405)	735
Entertainment	10,000	10,000	11,000	(1,000)	8,850
Insurance	5,000	5,000	-	5,000	-
Supplies and equipment	-	-	-	-	80,690
Maintenance and repairs	35,000	120,800	123,496	(2,696)	35,904
Other	7,500	37,065	37,066	(1)	21,250
Capital outlay	10,000	112,995	6,300	106,695	22,227
Total expenditures	67,500	285,860	178,267	107,593	169,656
<b>EXCESS (DEFICENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	37,685	370,835	513,205	142,370	(37,647)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	48,040	274,600	274,681	(81)	72,735
Transfers out	(5,200)	(65,715)	(71,383)	5,668	(5,728)
Total other financing sources (uses)	42,840	208,885	203,298	5,587	67,007
<b>NET CHANGE IN FUND BALANCES</b>	80,525	579,720	716,503	(136,783)	29,360
<b>FUND BALANCES, beginning of year</b>	1,641,765	1,641,765	1,641,765	-	1,612,405
<b>FUND BALANCES, end of year</b>	\$ 1,722,290	\$ 2,221,485	\$ 2,358,268	\$ (136,783)	\$ 1,641,765



**City of Saginaw**

## **Debt Service Fund**

Used to account for the accumulation of resources for, and the payment of, general obligation long-term debt principal and interest.

**City of Saginaw, Texas**  
 Comparative Balance Sheets  
 Debt Service Fund  
 September 30, 2021 and 2020

<b>ASSETS</b>	<b>2021</b>	<b>2020</b>
Deposits and investments	\$ 1,082,134	\$ 1,185,400
Receivables		
Taxes, net of allowance	22,356	17,829
<b>TOTAL ASSETS</b>	<b>\$ 1,104,490</b>	<b>\$ 1,203,229</b>
<b>DEFERRED INFLOWS AND FUND BALANCES</b>		
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property taxes	\$ 22,356	\$ 17,828
Total deferred inflows of resources	22,356	17,828
<b>FUND BALANCES</b>		
Restricted for debt service	1,082,134	1,185,401
Total fund balances	1,082,134	1,185,401
<b>TOTAL DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 1,104,490</b>	<b>\$ 1,203,229</b>

# City of Saginaw, Texas

## Schedule of Revenues, Expenditures and Changes in Fund

### Balance – Budget and Actual

#### Debt Service Fund

For the Fiscal Year Ended September 30, 2021 and 2020

	Budgeted Amounts		Actual GAAP Basis	Variance with Final Budget Positive (Negative)	Actual GAAP Basis 2020
	Original	Final			
<b>REVENUES</b>					
Current and delinquent general property tax - debt service portion	\$ 3,908,855	\$ 4,015,905	\$ 4,010,896	\$ (5,009)	\$ 3,736,300
Penalties, interest and fees on delinquent taxes	7,000	3,850	3,970	120	4,064
Interest income	15,000	1,000	941	(59)	22,227
Miscellaneous	-	4,440	4,440	-	-
Total revenues	3,930,855	4,025,195	4,020,247	(4,948)	3,762,591
<b>EXPENDITURES</b>					
Bond principal payments	2,725,000	2,725,000	2,725,000	-	3,015,000
Total principal payments	2,725,000	2,725,000	2,725,000	-	3,015,000
Bond interest	1,402,320	1,391,030	1,391,033	(3)	741,720
Fiscal charges and debt issuance costs	13,000	13,000	7,481	5,519	121,028
Total interest payments	1,415,320	1,404,030	1,398,514	5,516	862,748
Total expenditures	4,140,320	4,129,030	4,123,514	5,516	3,877,748
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(209,465)	(103,835)	(103,267)	568	(115,157)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from bond refunding	-	-	-	-	3,015,000
Payment on bond refunding	-	-	-	-	(2,924,412)
Total other financing sources (uses)	-	-	-	-	90,588
Net change in fund balances	(209,465)	(103,835)	(103,267)	568	(24,569)
Fund balances, beginning of year	1,185,401	1,185,401	1,185,401	-	1,209,970
<b>FUND BALANCES, end of year</b>	<b>\$ 975,936</b>	<b>\$ 1,081,566</b>	<b>\$ 1,082,134</b>	<b>\$ 568</b>	<b>\$ 1,185,401</b>



**City of Saginaw**



## **Enterprise Fund**

Used to account for operations of the City's water and wastewater activities that are financed and operated in a manner similar to those of private business enterprises. Services of this fund are intended to be self-supporting through user charges.

**City of Saginaw, Texas**  
**Comparative Statements of Net Position**  
**Enterprise Fund**  
**September 30, 2021 and 2020**

ASSETS	2021	2020
<b>CURRENT ASSETS</b>		
Deposits and investments	\$ 8,570,766	\$ 8,847,070
Deposits and investments-restricted	185,657	185,900
Receivables:		
Accounts receivable, net of allowance of \$58,722 in 2021 and \$81,020 in 2020	685,360	804,376
Unbilled accounts	637,268	574,351
Total current assets	10,079,051	10,411,697
<b>NONCURRENT ASSETS</b>		
Capital assets, at cost:		
Land and land improvements	16,657	16,657
Buildings and improvements	154,587	154,587
Waterworks and wastewater system	42,188,854	41,599,558
Machinery and equipment	1,621,137	1,591,260
Construction in progress	1,231,522	173,961
Accumulated depreciation	(15,157,215)	(14,145,033)
Total capital assets, net of accumulated depreciation	30,055,542	29,390,990
Deposits and investments-restricted	723,639	698,291
Total noncurrent assets	30,779,181	30,089,281
Total assets	40,858,232	40,500,978
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge for refunding	22,264	27,830
Related to the TMRS pension	149,498	155,563
Related to the TMRS OPEB	12,198	6,353
Total deferred outflows of resources	183,960	189,746
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	685,125	631,690
Accrued interest	1,667	2,014
Revenue bonds payable	220,000	210,000
Total current liabilities	906,792	843,704
<b>NONCURRENT LIABILITIES</b>		
Revenue bonds payable	790,000	1,010,000
Customer deposits	723,639	698,291
Net pension liability	1,107,478	1,157,630
Total OPEB liability	54,750	43,427
Total noncurrent liabilities	2,675,867	2,909,348
Total liabilities	3,582,659	3,753,052
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Related to the TMRS pension	189,209	231,213
Related to the TMRS OPEB	2,865	3,778
Total deferred inflows of resources	192,074	234,991
<b>NET POSITION</b>		
Net investment in capital assets	29,067,806	28,198,820
Restricted for		
Revenue bond retirement	185,657	185,900
Unrestricted	8,013,996	8,317,961
Total net position	\$ 37,267,459	\$ 36,702,681

## City of Saginaw, Texas

### Comparative Statements of Revenues, Expenses and Changes in Net Position

#### Enterprise Fund

For the Fiscal Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>OPERATING REVENUE</b>		
Water and sewer sales	\$ 9,112,882	\$ 9,100,141
Penalties	90,214	83,008
Surcharges	1,559,642	1,698,265
Miscellaneous	58,964	56,583
	<hr/>	<hr/>
Total operating revenue	10,821,702	10,937,997
<b>OPERATING EXPENSES</b>		
Cost of sales and services	6,473,184	6,294,884
Administrative	2,146,607	3,730,232
Depreciation	1,029,835	899,217
	<hr/>	<hr/>
Total operating expenses	9,649,626	10,924,333
Operating income	1,172,076	13,664
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment income	4,846	97,645
Gain on sale of machinery and equipment	3,960	2,070
Interest expense and agent fees	(34,238)	(46,996)
	<hr/>	<hr/>
Total nonoperating revenues (expenses)	(25,432)	52,719
Income before capital contributions and transfers	1,146,644	66,383
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS</b>		
Capital contributions	-	2,376,954
Impact and tap fees	43,434	329,266
Transfers out	(716,430)	(693,830)
Transfers in	91,130	86,185
	<hr/>	<hr/>
Total capital contributions and transfers	(581,866)	2,098,575
Changes in net position	564,778	2,164,958
<b>NET POSITION, beginning of year</b>	<hr/>	<hr/>
	36,702,681	34,537,723
<b>NET POSITION, end of year</b>	<hr/>	<hr/>
	\$ 37,267,459	\$ 36,702,681

**City of Saginaw, Texas**  
 Comparative Statements of Cash Flows  
 Enterprise Fund  
 For the Fiscal Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 10,903,149	\$ 11,031,487
Cash paid to employees	(1,150,212)	(1,003,766)
Cash paid to suppliers	(7,497,670)	(9,279,286)
	<hr/>	<hr/>
Net cash provided by operating activities	2,255,267	748,435
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers out to other funds	(716,430)	(693,830)
Transfers from other funds	91,130	86,185
	<hr/>	<hr/>
Net cash used in noncapital financing activities	(625,300)	(607,645)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Proceeds from sale of machinery and equipment	3,960	2,070
Impact and tap fees	43,434	329,266
Principal paid on bonds	(210,000)	(250,000)
Purchase of capital assets	(1,694,387)	(1,799,283)
Interest	(29,019)	(31,593)
Fiscal agent fees	-	750
	<hr/>	<hr/>
Net cash used in capital and related financing activities	(1,886,012)	(1,748,790)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	4,846	97,645
	<hr/>	<hr/>
Net cash provided by investing activities	4,846	97,645
Net change in cash	(251,199)	(1,510,355)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<hr/> 9,731,261	<hr/> 11,241,616
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<hr/> <u>\$ 9,480,062</u>	<hr/> <u>\$ 9,731,261</u>

**City of Saginaw, Texas**

Comparative Statements of Cash Flows – Continued

Enterprise Fund

For the Fiscal Years Ended September 30, 2021 and 2020

	<u>Current Assets</u>	<u>Restricted Assets</u>	<u>2021 Statement of Cash Flows Totals</u>	<u>2020 Statement of Cash Flows Totals</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS PER STATEMENT OF CASH FLOWS TO THE STATEMENT OF NET POSITION</b>				
Cash and cash equivalents, beginning of year	\$ 8,847,070	\$ 884,191	\$ 9,731,261	\$ 11,241,616
Net increase (decrease)	<u>(276,304)</u>	<u>25,105</u>	<u>(251,199)</u>	<u>(1,510,355)</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 8,570,766</u>	<u>\$ 909,296</u>	<u>\$ 9,480,062</u>	<u>\$ 9,731,261</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income			\$ 1,172,076	\$ 13,664
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation			1,029,835	899,217
(Increase) Decrease in accounts receivable			56,099	53,200
(Increase) Decrease in deferred outflows of resources-pension			6,065	152,424
(Increase) Decrease in deferred outflows of resources-OPEB			(5,845)	(5,894)
Increase (Decrease) in accounts payable and accrued expenses			53,435	(239,474)
Increase (Decrease) in customer deposits			25,348	40,290
Increase (Decrease) in net pension liability			(50,152)	(341,963)
Increase (Decrease) in total OPEB liability			11,323	6,740
Increase (Decrease) in deferred inflows of resources-pension			<u>(42,917)</u>	<u>170,231</u>
Net cash provided by operating activities			<u>\$ 2,255,267</u>	<u>\$ 748,435</u>
<b>SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING, CAPITAL AND INVESTING ACTIVITIES</b>				
Capital asset contributions from developers			<u>\$ -</u>	<u>\$ 2,376,954</u>



**City of Saginaw**

**Statistical Section  
(Unaudited)**



**City of Saginaw**



**City of Saginaw, Texas**  
Statistical Section (Unaudited)

This part of the City of Saginaw's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

**Contents:**

Financial Trends .....96-105

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity .....106-109

These schedules contain information to help the reader assess one of the government's most significant local source revenues, property taxes.

Debt Capacity .....110-114

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information .....115-116

This schedule offers demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information .....117-119

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial reports relates to the services the government provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**City of Saginaw, Texas**  
**Net Position by Component**  
**Last Ten Fiscal Years**

	<u>2012</u>	<u>2013*</u>	<u>2014</u>	<u>2015</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 45,854,628	\$ 48,872,324	\$ 52,280,544	\$ 55,375,158
Restricted	1,384,617	1,828,513	1,596,119	1,416,987
Unrestricted	<u>14,302,944</u>	<u>11,624,828</u>	<u>13,139,145</u>	<u>5,701,871</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES NET POSITION</b>	61,542,189	62,325,665	67,015,808	62,494,016
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	16,699,361	17,623,648	19,067,165	20,210,164
Restricted	437,166	420,735	420,905	421,162
Unrestricted	<u>7,008,669</u>	<u>6,628,613</u>	<u>7,726,467</u>	<u>8,015,115</u>
<b>TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION</b>	24,145,196	24,672,996	27,214,537	28,646,441
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	62,553,989	66,495,972	71,347,709	75,585,322
Restricted	1,821,783	2,249,248	2,017,024	1,838,149
Unrestricted	<u>21,311,613</u>	<u>18,253,441</u>	<u>20,865,612</u>	<u>13,716,986</u>
<b>TOTAL PRIMARY GOVERNMENT NET POSITION</b>	<u>\$ 85,687,385</u>	<u>\$ 86,998,661</u>	<u>\$ 94,230,345</u>	<u>\$ 91,140,457</u>

\*2013 restated for GASB 65

\*\*2017 restated for GASB 75

Table 1

	<b>2016</b>	<b>2017**</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
\$	56,038,750	\$ 62,510,664	\$ 65,704,199	\$ 70,565,446	77,862,666	84,992,122
	1,267,190	1,120,206	6,958,205	7,659,462	7,491,338	9,112,393
	7,709,276	8,126,849	3,446,846	263,251	1,986,850	1,805,245
	65,015,216	71,757,719	76,109,250	78,488,159	87,340,854	95,909,760
	21,614,590	22,315,277	23,273,899	24,688,409	28,198,820	29,067,806
	444,944	175,662	179,178	184,466	185,900	185,657
	7,603,698	8,123,007	8,410,610	9,664,848	8,317,961	8,013,996
	29,663,232	30,613,946	31,863,687	34,537,723	36,702,681	37,267,459
	77,653,340	84,825,941	88,978,098	95,253,855	106,061,486	114,059,928
	1,712,134	1,295,868	7,137,383	7,843,928	7,677,238	9,298,050
	15,312,974	16,249,856	11,857,456	9,928,099	10,304,811	9,819,241
\$	<u>94,678,448</u>	<u>\$ 102,371,665</u>	<u>\$ 107,972,937</u>	<u>\$ 113,025,882</u>	<u>\$ 124,043,535</u>	<u>\$ 133,177,219</u>

**City of Saginaw, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

**Table 2**  
**(Page 1 of 2)**

	<u>2012</u>	<u>2013*</u>	<u>2014</u>	<u>2015</u>
<b>EXPENSES</b>				
Governmental activities:				
General administrative office	\$ 2,214,653	\$ 2,385,797	\$ 2,343,593	\$ 2,126,569
Municipal court	193,082	185,237	200,512	184,794
Fire	2,864,618	2,858,957	2,955,138	3,284,144
Police	3,848,768	3,860,896	4,038,792	4,230,644
Public works	3,177,703	3,465,002	2,895,713	3,422,440
Parks *	-	195,900	208,076	226,152
Community services	1,078,909	969,556	985,348	1,076,881
Library	524,847	540,261	548,383	564,913
Inspections	565,326	583,930	603,213	716,049
Janitorial	-	-	-	-
Fleet maintenance	566,689	546,241	573,011	531,903
Economic development	14,504	64,779	35,860	19,363
Information technology	-	-	-	-
Interest on long term debt	866,299	1,162,182	916,082	942,168
Total governmental activities	<u>15,915,398</u>	<u>16,818,738</u>	<u>16,303,721</u>	<u>17,326,020</u>
Business-type activities:				
Water and wastewater	6,972,839	7,241,735	7,068,008	7,469,979
Total business-type activities	<u>6,972,839</u>	<u>7,241,735</u>	<u>7,068,008</u>	<u>7,469,979</u>
Total primary government expenses	<u>22,888,237</u>	<u>24,060,473</u>	<u>23,371,729</u>	<u>24,795,999</u>
<b>PROGRAM REVENUES</b>				
Governmental activities:				
Fines, fees and charges for services:				
General administrative office	-	-	-	40,118
Municipal court	476,100	459,209	543,001	561,382
Fire	80,000	80,226	80,000	80,000
Police	4,814	3,850	3,880	4,248
Public works	431,564	563,194	577,267	583,358
Community services	669,578	680,961	652,176	670,826
Library	17,730	18,668	20,499	18,982
Inspections	296,414	377,646	433,586	740,778
Animal services **	-	-	-	-
Operating grants and contributions:				
General administrative office	-	-	-	-
Municipal court	-	-	-	-
Fire	76,328	57,337	77,426	24,992
Police	156,535	75,477	97,557	209,835
Public works	84,999	-	-	-
Parks	-	-	-	-
Community services	-	-	-	-
Library	-	-	-	-
Inspection	-	-	-	-
Animal services	-	-	-	-
Information technology	-	-	-	-
Capital grants and contributions:				
Fire	-	-	-	-
Police	-	-	-	-
Public works	1,959,028	1,271,666	3,854,521	1,457,517
<b>TOTAL GOVERNMENTAL ACTIVITIES AND PROGRAM REVENUES</b>	<u>\$ 4,253,090</u>	<u>\$ 3,588,234</u>	<u>\$ 6,339,913</u>	<u>\$ 4,392,036</u>

\* Prior to 2013 Parks was included in Community services

\*\* Prior to 2018 Animal services was included in Inspections

**City of Saginaw, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

**Table 2**  
**(Page 1 of 2)**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
\$	2,060,595	\$ 1,924,614	\$ 2,306,824	\$ 2,887,428	\$ 2,801,551	\$ 2,660,420
	186,864	190,521	167,338	237,810	187,789	187,686
	3,242,317	3,446,465	3,410,291	4,547,729	3,824,006	3,833,378
	4,434,955	4,616,528	4,732,436	6,404,221	5,419,054	5,290,475
	3,435,053	3,705,943	3,717,371	4,127,755	5,104,334	5,033,117
	294,992	348,531	345,716	393,026	356,963	468,390
	1,076,293	1,130,034	1,141,716	1,309,456	993,452	802,551
	591,580	624,921	610,243	787,531	607,455	645,186
	824,509	861,619	563,502	751,460	633,836	698,321
	-	-	322,993	415,695	374,204	396,348
	439,379	513,948	499,089	535,473	434,270	492,762
	50,197	46,520	567,431	285,028	176,295	140,178
	-	-	-	384,523	374,852	389,186
	994,113	883,962	1,017,739	915,915	892,956	1,403,680
	17,630,847	18,293,606	19,402,689	23,983,050	22,181,017	22,441,678
	8,355,662	9,167,424	10,295,498	9,727,920	10,969,259	9,679,904
	8,355,662	9,167,424	10,295,498	9,727,920	10,969,259	9,679,904
	25,986,509	27,461,030	29,698,187	33,710,970	33,150,276	32,121,582
	63,426	32,724	77,113	43,455	42,410	216,266
	441,298	493,172	416,477	387,843	348,604	464,072
	83,000	84,000	84,000	87,150	94,815	97,020
	4,314	3,822	4,439	6,574	3,075	3,174
	592,078	754,462	776,501	794,783	815,726	823,078
	646,004	665,004	692,897	811,469	443,782	455,009
	16,260	16,944	15,309	8,978	5,212	6,886
	939,380	961,945	1,025,588	959,843	923,088	1,278,968
	-	-	20,044	25,433	30,307	32,119
	-	-	-	-	23,844	-
	-	-	-	-	7,337	1,033
	29,134	54,529	30,833	53,987	519,191	100,690
	150,845	179,592	128,595	165,424	702,553	163,999
	-	-	-	-	431,927	3,982
	-	-	-	-	650	-
	-	-	-	-	33,959	1,739
	-	-	-	-	2,016	-
	-	-	-	-	9,599	-
	-	-	-	-	7,357	449
	-	-	-	-	22,956	4,986
	-	-	-	-	64,035	-
	-	-	-	-	15,623	-
	1,549,780	5,835,552	2,544,847	3,930,917	6,803,877	5,422,862
\$	4,515,519	\$ 9,081,746	\$ 5,816,643	\$ 7,275,856	\$ 11,351,943	\$ 9,076,332

**City of Saginaw, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	<u>2012</u>	<u>2013*</u>	<u>2014</u>	<u>2015</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Charges for services:				
Water and wastewater	\$ 8,374,910	\$ 8,419,089	\$ 8,910,914	\$ 8,965,645
Capital grants and contributions	389,921	88,737	1,461,468	1,040,496
	<u>8,764,831</u>	<u>8,507,826</u>	<u>10,372,382</u>	<u>10,006,141</u>
Total business-type activities program revenues				
Total primary government program revenues	13,017,921	12,096,060	16,712,295	14,398,177
<b>NET (EXPENSES) REVENUE</b>				
Governmental activities	(11,662,308)	(13,230,504)	(9,963,808)	(12,933,984)
Business-type activities	1,791,992	1,266,091	3,304,374	2,536,162
	<u>(9,870,316)</u>	<u>(11,964,413)</u>	<u>(6,659,434)</u>	<u>(10,397,822)</u>
Total primary governmental net expenses				
<b>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS</b>				
Governmental activities:				
Taxes:				
Ad valorem	5,758,607	5,750,493	6,277,304	6,506,284
Sales	5,365,461	5,528,937	5,709,850	5,786,769
Franchise taxes	1,552,095	1,503,183	1,420,451	1,851,551
Other taxes	14,968	82,634	18,682	32,116
Penalties and interest	8,350	21,585	21,965	13,367
Interest income	20,389	16,172	7,587	11,883
Gain (Loss) on sale of assets	-	-	26,704	-
Miscellaneous revenues	120,803	201,147	206,735	110,595
Transfers	846,270	909,829	964,673	564,120
	<u>13,686,943</u>	<u>14,013,980</u>	<u>14,653,951</u>	<u>14,876,685</u>
Total governmental activities				
Business-type activities:				
Interest income	5,892	7,146	2,508	4,529
Gain on sale of assets	2,835	12,000	9,365	-
Miscellaneous revenues	84,415	152,392	189,967	213,116
Transfers	(846,270)	(909,829)	(964,673)	(564,120)
	<u>(753,128)</u>	<u>(738,291)</u>	<u>(762,833)</u>	<u>(346,475)</u>
Total business-type activities				
Total primary government	12,933,815	13,275,689	13,891,118	14,530,210
<b>CHANGES IN NET POSITION</b>				
Governmental activities	2,024,635	783,476	4,690,143	1,942,701
Business-type activities	1,038,864	527,800	2,541,541	2,189,687
	<u>3,063,499</u>	<u>1,311,276</u>	<u>7,231,684</u>	<u>4,132,388</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 3,063,499</u>	<u>\$ 1,311,276</u>	<u>\$ 7,231,684</u>	<u>\$ 4,132,388</u>

Source: Comprehensive Annual Financial Reports

\* 2013 restated for GASB 65

\*\* 2017 restated for GASB 75

**Table 2**  
(Page 2 of 2)

2016	2017	2018	2019	2020	2021
\$ 8,733,275	\$ 9,088,796	\$ 10,434,663	\$ 10,327,466	\$ 10,798,406	\$ 10,672,524
967,271	1,447,523	1,360,420	2,233,163	2,706,220	43,434
9,700,546	10,536,319	11,795,083	12,560,629	13,504,626	10,715,958
14,216,065	19,618,065	17,611,726	19,836,485	24,856,569	19,792,290
(13,115,328)	(9,211,860)	(13,586,046)	(16,707,194)	(10,829,074)	(13,365,346)
1,344,884	1,368,895	1,499,585	2,832,709	2,535,367	1,036,054
(11,770,444)	(7,842,965)	(12,086,461)	(13,874,485)	(8,293,707)	(12,329,292)
7,201,098	7,608,668	8,172,372	8,911,747	9,670,822	10,451,254
5,790,661	6,198,989	6,356,478	6,809,346	7,262,055	8,855,456
1,839,384	1,693,095	1,660,835	1,764,936	1,612,023	1,561,343
28,626	32,666	79,388	105,233	77,679	109,813
15,202	17,148	22,706	14,604	12,581	10,590
84,200	214,428	475,921	657,032	255,256	22,000
-	-	-	-	-	-
125,952	116,691	590,747	244,135	183,708	298,496
551,405	590,530	579,130	579,070	607,645	625,300
15,636,528	16,472,215	17,937,577	19,086,103	19,681,769	21,934,252
26,998	63,794	145,445	236,213	97,645	4,846
-	-	-	-	-	-
196,314	172,559	183,841	184,184	139,591	149,178
(551,405)	(590,530)	(579,130)	(579,070)	(607,645)	(625,300)
(328,093)	(354,177)	(249,844)	(158,673)	(370,409)	(471,276)
15,308,435	16,118,038	17,687,733	18,927,430	19,311,360	21,462,976
2,521,200	7,260,355	4,351,531	2,378,909	8,852,695	8,568,906
1,016,791	1,014,718	1,249,741	2,674,036	2,164,958	564,778
\$ 3,537,991	\$ 8,275,073	\$ 5,601,272	\$ 5,052,945	\$ 11,017,653	\$ 9,133,684

**City of Saginaw, Texas**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>GENERAL FUND</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted:				
Capital projects	403,681	403,681	403,681	-
Municipal court	178,379	142,419	146,224	-
Hotel/motel tax	24,814	17,385	18,723	-
Assigned	2,222,595	383,370	509,935	294,445
Unassigned	8,477,945	8,637,536	8,598,487	9,499,273
<b>TOTAL GENERAL FUND</b>	<u>\$ 11,307,414</u>	<u>\$ 9,584,391</u>	<u>\$ 9,677,050</u>	<u>\$ 9,793,718</u>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Restricted:				
Debt service	\$ 1,350,299	\$ 1,495,776	\$ 1,650,611	\$ 1,473,531
Capital projects	1,802,072	8,138,595	7,077,353	12,799,557
Street maintenance	666,275	721,837	900,917	1,137,598
Crime prevention	838,641	836,825	853,451	712,061
Drainage	924,869	1,139,878	1,234,069	826,712
Other special revenue	-	-	-	513,363
Committed:				
Donations	357,682	323,967	336,101	274,621
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<u>\$ 5,939,838</u>	<u>\$ 12,656,878</u>	<u>\$ 12,052,502</u>	<u>\$ 17,737,443</u>



Table 3

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ -	\$ -	\$ -	\$ -	\$ 137,534	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
537,510	1,167,595	885,540	729,080	2,882,850	1,901,425
<u>10,155,535</u>	<u>10,480,993</u>	<u>10,714,852</u>	<u>10,875,059</u>	<u>9,936,029</u>	<u>10,144,356</u>
<u>\$ 10,693,045</u>	<u>\$ 11,648,588</u>	<u>\$ 11,600,392</u>	<u>\$ 11,604,139</u>	<u>\$ 12,956,413</u>	<u>\$ 12,045,781</u>
\$ 1,306,703	\$ 1,153,415	\$ 1,115,474	\$ 1,209,970	\$ 1,185,401	\$ 1,082,134
10,566,997	12,597,897	7,208,691	7,418,377	23,234,623	24,284,485
1,283,877	1,452,255	1,655,775	1,766,915	1,594,442	1,746,242
591,654	524,886	535,811	488,741	529,301	858,108
1,142,095	1,701,294	2,217,041	2,636,085	2,642,077	3,179,644
1,160,365	1,162,875	1,487,451	1,612,405	1,641,765	2,358,268
<u>293,437</u>	<u>272,446</u>	<u>324,644</u>	<u>429,164</u>	<u>506,739</u>	<u>514,398</u>
<u>\$ 16,345,128</u>	<u>\$ 18,865,068</u>	<u>\$ 14,544,887</u>	<u>\$ 15,561,657</u>	<u>\$ 31,334,348</u>	<u>\$ 34,023,279</u>

**City of Saginaw, Texas**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>REVENUES</b>				
Taxes	\$ 12,695,493	\$ 12,899,890	\$ 13,444,020	\$ 14,192,838
Licenses and permits	263,964	248,764	329,948	627,876
Charges for services	511,564	643,420	657,267	663,358
Fines and fees	526,280	606,759	667,138	693,266
Interest income	20,389	16,172	7,587	11,883
Recreation income	530,051	519,857	494,346	512,677
Intergovernmental	-	-	568,262	234,827
Miscellaneous revenues	1,133,483	1,770,581	376,048	321,110
Total revenues	<u>15,681,224</u>	<u>16,705,443</u>	<u>16,544,616</u>	<u>17,257,835</u>
<b>EXPENDITURES</b>				
Current:				
General administrative office	2,648,603	2,343,521	2,301,845	2,191,774
Municipal court	191,515	184,091	199,451	185,158
Fire	2,615,170	2,671,135	3,694,807	2,932,965
Police	3,563,149	3,571,926	3,753,226	3,967,015
Public works	1,353,299	1,497,039	884,006	1,268,270
Parks *	-	200,943	227,791	240,528
Community services	848,830	737,735	753,421	861,581
Library	470,013	488,445	496,461	520,281
Inspections	554,909	602,180	587,047	705,189
Animal services **	-	-	-	-
City garage	525,903	508,511	533,557	493,996
Economic development	14,504	64,779	35,860	19,363
Information technology***	-	-	-	-
Capital outlay	979,538	5,343,768	2,327,457	3,750,868
Debt service:				
Principal retirement	1,610,000	1,700,000	2,214,750	2,056,785
Interest charges	836,587	679,214	910,722	824,995
Debt issuance costs	104,626	183,823	44,188	132,294
Total expenditures	<u>16,316,646</u>	<u>20,777,110</u>	<u>18,964,589</u>	<u>20,151,062</u>
Excess (deficiency) of revenues over expenditures	(635,422)	(4,071,667)	(2,419,973)	(2,893,227)
Other financing sources (uses):				
Capital lease proceeds	-	-	944,294	-
Proceeds from issuance of debt	-	7,895,000	-	8,000,000
Proceeds on refunding bonds	92,914	1,180,000	2,130,000	-
Premium on bond issuance	-	302,597	-	130,716
Payments to refunded bond escrow agent	-	(1,221,742)	(2,130,711)	-
Transfers in	1,813,360	4,011,199	2,827,420	3,713,702
Transfers out	(967,090)	(3,101,370)	(1,862,747)	(3,149,582)
Total other financing sources (uses)	<u>939,184</u>	<u>9,065,684</u>	<u>1,908,256</u>	<u>8,694,836</u>
Net change in fund balances	<u>\$ 303,762</u>	<u>\$ 4,994,017</u>	<u>\$ (511,717)</u>	<u>\$ 5,801,609</u>
Debt service as a percentage of noncapital expenditures	16.56%	15.50%	20.02%	17.86%

\* Prior to 2013 Parks was included in Community services

\*\* Prior to 2018 Animal services was included in Inspections

\*\*\* Prior to 2019 Information technology was included in General administrative office

Table 4

2016	2017	2018	2019	2020	2021
\$ 14,877,738	\$ 15,540,413	\$ 16,287,689	\$ 17,610,628	\$ 18,632,475	\$ 20,976,412
740,192	929,188	951,542	858,901	773,813	668,169
674,978	838,362	860,401	881,933	910,541	920,098
656,746	542,873	525,876	529,770	536,473	1,117,050
84,200	214,428	475,921	657,032	255,256	22,000
487,081	496,969	520,798	524,686	162,412	163,056
179,979	234,122	159,428	219,411	2,661,433	5,326,134
1,010,725	326,507	1,091,494	555,747	509,849	1,054,895
18,711,639	19,122,862	20,873,149	21,838,108	24,442,252	30,247,814
1,963,039	2,075,890	2,217,124	2,536,360	2,692,380	3,073,314
184,973	187,886	168,421	212,743	187,064	191,718
3,177,233	3,280,597	3,982,620	3,826,258	3,965,267	3,864,642
4,075,546	4,273,272	4,638,904	5,358,286	5,072,762	5,103,232
1,263,892	1,354,767	1,609,303	1,835,898	2,330,346	1,652,954
266,949	352,766	339,015	379,478	538,609	337,404
918,907	990,618	959,782	998,499	811,155	645,986
537,893	568,246	569,005	601,026	568,571	626,724
825,017	849,217	579,082	600,849	625,717	716,646
-	-	398,633	329,854	389,122	471,758
399,692	471,007	456,219	434,837	392,030	457,527
50,197	46,520	567,978	243,050	176,840	140,178
-	-	-	327,680	427,319	398,731
2,570,956	6,349,590	5,761,665	2,276,933	6,464,727	16,290,487
2,539,654	2,667,570	2,555,536	2,495,000	3,015,000	2,725,000
854,529	763,613	1,012,169	886,610	741,720	1,391,033
203,483	144,905	5,200	53,300	376,873	193,968
19,831,960	24,376,464	25,820,656	23,396,661	28,775,502	38,281,302
(1,120,321)	(5,253,602)	(4,947,507)	(1,558,553)	(4,333,250)	(8,033,488)
-	-	-	-	-	-
-	7,830,000	-	2,000,000	17,345,000	8,435,000
5,910,000	-	-	-	3,015,000	-
-	308,555	-	-	3,414,982	751,487
(5,834,072)	-	-	-	(2,924,412)	-
1,726,230	1,697,052	1,705,322	1,840,082	1,957,493	4,831,194
(1,174,825)	(1,106,522)	(1,126,192)	(1,261,012)	(1,349,848)	(4,205,894)
627,333	8,729,085	579,130	2,579,070	21,458,215	9,811,787
\$ (492,988)	\$ 3,475,483	\$ (4,368,377)	\$ 1,020,517	\$ 17,124,965	\$ 1,778,299
20.02%	19.37%	19.07%	17.29%	17.60%	19.33%

**City of Saginaw, Texas**  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years

**Table 5**

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>% of Current Tax Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>% of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>% of Delinquent Taxes to Tax Levy</u>
2011/12	5,724,960	5,691,320	99.4%	30,089	5,721,409	99.9%	3,551	0.1%
2012/13	5,739,750	5,704,489	99.4%	31,269	5,735,758	99.9%	3,992	0.1%
2013/14	6,223,951	6,184,458	99.4%	33,212	6,217,670	99.9%	6,281	0.1%
2014/15	6,484,972	6,448,230	99.4%	32,611	6,480,841	99.9%	4,131	0.1%
2015/16	7,175,560	7,141,585	99.5%	28,903	7,170,488	99.9%	5,072	0.1%
2016/17	7,557,636	7,513,508	99.4%	35,941	7,549,449	99.9%	8,187	0.1%
2017/18	8,075,537	8,027,316	99.4%	26,082	8,053,398	99.7%	22,138	0.3%
2018/19	8,893,539	8,850,081	99.5%	28,310	8,878,391	99.8%	15,148	0.2%
2019/20	9,671,868	9,625,725	99.5%	13,438	9,639,163	99.7%	32,705	0.3%
2020/21	10,438,401	10,380,213	99.4%	-	10,380,213	99.4%	58,188	0.6%

**City of Saginaw, Texas**

Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

**Table 6**

Fiscal Year	Real Property		Personal Property		Total		Property Tax Rate Per \$100
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2011/12	889,390,320	889,390,320	303,309,705	303,309,705	1,192,700,025	1,192,700,025	0.4800
2012/13	863,406,401	863,406,401	300,718,127	300,718,127	1,164,124,528	1,164,124,528	0.4900
2013/14	896,517,649	896,517,649	322,802,502	322,802,502	1,219,320,151	1,219,320,151	0.5100
2014/15	956,608,601	956,608,601	319,120,061	319,120,061	1,275,728,662	1,275,728,662	0.5100
2015/16*	962,111,241	962,111,241	354,242,308	354,242,308	1,316,353,549	1,316,353,549	0.5440
2016/17	1,061,912,257	1,061,912,257	379,440,615	379,440,615	1,441,352,872	1,441,352,872	0.5130
2017/18	1,205,160,927	1,205,160,927	365,041,273	365,041,273	1,570,202,200	1,570,202,200	0.4950
2018/19	1,453,373,020	1,453,373,020	390,558,650	390,558,650	1,843,931,670	1,843,931,670	0.4718
2019/20	1,628,809,088	1,628,809,088	417,203,024	417,203,024	2,046,012,112	2,046,012,112	0.4590
2020/21	1,634,542,012	1,634,542,012	420,221,179	420,221,179	2,054,763,191	2,054,763,191	0.4616

Note: Assessed values are established by a central appraisal district on the basis of 100% of its appraised value. 9/1 Certified Net Taxable Value

\* For 2015/2016 used February tax roll total. The September certified values did not include \$98,175,368 in pending value due to delays caused by a software change at the appraisal district. All other years are September certified values.

**City of Saginaw, Texas**

Property Tax Rates – All Direct and Overlapping Governments

Per \$100 Assessed Value

Last Ten Fiscal Years

**Table 7**

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>	<u>School</u>	<u>County (1)</u>	<u>State</u>	<u>Total</u>
2011/12	0.287098	0.192902	0.480000	1.530000	0.640867	0.000000	2.650867
2012/13	0.300075	0.189925	0.490000	1.540000	0.640867	0.000000	2.670867
2013/14	0.289024	0.220976	0.510000	1.540000	0.641397	0.000000	2.691397
2014/15	0.298511	0.211489	0.510000	1.540000	0.641397	0.000000	2.691397
2015/16	0.291937	0.252063	0.544000	1.540000	0.641397	0.000000	2.725397
2016/17	0.293308	0.219692	0.513000	1.540000	0.626627	0.000000	2.679627
2017/18	0.284186	0.210814	0.495000	1.540000	0.608489	0.000000	2.643489
2018/19	0.291129	0.180671	0.471800	1.540000	0.594499	0.000000	2.606299
2019/20	0.281655	0.177345	0.459000	1.518000	0.588599	0.000000	2.565599
2020/21	0.284238	0.177341	0.461579	1.496400	0.588599	0.000000	2.546578

Note(1) Column includes Tarrant County, Tarrant County College District and Tarrant County Hospital District

**City of Saginaw, Texas**  
Principal Taxpayers  
Current Year and Ten Years Ago

**Table 8**

2021			2012		
Taxpayer	Assessed Valuation	% of Total Assessed Valuation	Taxpayer	Assessed Valuation	% of Total Assessed Valuation
Ardent Mills/Cargill LLC	\$ 60,785,239	2.96	Archer-Daniels-Midland/Farmland	\$ 30,492,089	2.56
Miller Milling Company LLC	54,115,340	2.63	Horizon Milling LLC	23,914,549	2.01
Ventura Foods	47,717,499	2.32	Wal-Mart Real Estate Business Trust	23,673,503	1.98
CTI Foods Inc.	35,092,945	1.71	Conagra Foods Inc.	22,073,027	1.85
Trinity Industries Inc	23,656,651	1.15	Ventura Foods, LLC	21,488,984	1.80
Ergon Asphalt & Emulsions Inc	22,484,930	1.09	Gavilon Grain, LLC	15,113,681	1.27
Saginaw DC/Havener HH LP	18,433,243	0.90	CTI Holdings, LLC	14,016,570	1.18
BNSF Railway Company	18,418,120	0.90	Trinity Industries Inc.	13,036,566	1.09
Wal-Mart Real Estate Business Trust	17,681,425	0.86	GE Credit Corp	10,788,176	0.90
Oncor Electric Delivery Co.	16,946,400	0.82	BNSF Railway Company	10,398,606	0.87
		<u>15.34</u>			<u>15.51</u>

Source: Information obtained from Tarrant Appraisal District

**City of Saginaw, Texas**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

**Table 9**

Fiscal Year	Governmental Activities					Business-Type Activities				Primary Government	% of Personal Income (a)	Per Capita (b)
	General Obligation Bonds	Certificates of Obligation Bonds	Capital Leases	Tax Notes	Premium/Loss on Refundings	Water and Sewer Bonds	Gen. Oblig. Refunding Bonds	Capital Leases	Premium/Loss on Refundings	Total All Debt		
2011/12	10,925,000	8,665,000	-	-	(241,686)	4,455,000	-	463,036	(103,788)	24,162,562	4.50%	1,208
2012/13	18,570,000	7,200,000	-	-	217,131	3,895,000	-	235,490	(62,869)	30,054,752	5.56%	1,492
2013/14	17,010,000	6,830,000	704,544	-	429,375	2,915,000	520,000	-	22,482	28,431,401	5.20%	1,396
2014/15	23,515,000	6,440,000	532,760	-	518,798	2,490,000	465,000	-	17,294	33,978,852	5.85%	1,659
2015/16	25,310,000	2,440,000	358,106	-	477,503	380,000	2,000,000	-	12,106	30,977,715	5.44%	1,494
2016/17	30,980,000	2,110,000	180,535	-	729,335	150,000	1,810,000	-	6,918	35,966,788	6.10%	1,687
2017/18	28,765,000	1,950,000	-	-	672,612	100,000	1,615,000	-	1,730	33,104,342	4.79%	1,523
2018/19	26,435,000	1,785,000	-	2,000,000	615,889	50,000	1,420,000	-	-	32,305,889	4.77%	1,444
2019/20	25,735,000	17,345,000	-	1,570,000	3,764,136	-	1,220,000	-	-	49,634,136	7.10%	2,150
2020/21	31,890,000	17,310,000	-	1,160,000	4,270,201	-	1,010,000	-	-	55,640,201	7.42%	2,380

(a) See Schedule of Demographic Statistics on Table 14 for personal income data.

(b) See Schedule of Demographic Statistics on Table 14 for population data.



**City of Saginaw, Texas**

**Table 10**

Ratio of General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>Assessed Value</u>	<u>Total General Bonded Debt</u>	<u>Less Amounts Available for Debt Service</u>	<u>Net General Bonded Debt</u>	<u>Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
2011/12	19,995	1,192,700,025	19,348,314	1,384,617	17,963,697	1.62%	898
2012/13	20,140	1,164,124,528	25,987,131	1,828,513	24,158,618	2.23%	1,200
2013/14	20,370	1,219,320,151	24,269,375	1,596,119	22,673,256	1.99%	1,113
2014/15	20,480	1,275,728,662	30,473,798	1,416,987	29,056,811	2.39%	1,419
2015/16	20,740	1,316,353,549	28,227,503	1,267,190	26,960,313	2.14%	1,300
2016/17	21,320	1,441,352,872	33,819,335	1,120,206	32,699,129	2.35%	1,534
2017/18	21,730	1,570,202,200	31,387,612	1,062,127	30,325,485	2.00%	1,396
2018/19	22,380	1,843,931,670	30,835,889	1,155,633	29,680,256	1.67%	1,326
2019/20	23,090	2,046,012,112	48,414,136	1,028,491	47,385,645	2.37%	2,052
2020/21	23,380	2,054,763,191	54,630,201	970,131	53,660,070	2.66%	2,295

General Bonded Debt total includes Premiums and Deferred Loss on Refunding Bonds.

**City of Saginaw, Texas**

Computation of Direct and Overlapping Bonded Debt  
September 30, 2021

**Table 11**

Jurisdiction	Net Debt Outstanding	Percentage Applicable to City of Saginaw	Amount Applicable to City of Saginaw
City of Saginaw	\$ 54,630,201	100.00%	\$ 54,630,201
Subtotal: City of Saginaw direct debt			54,630,201
Eagle Mountain-Saginaw Independent School District	1,041,938,851	19.00%	198,015,619
Tarrant County	222,602,000	1.01%	2,244,119
Tarrant County Hospital District	26,660,000	1.01%	268,768
Tarrant County College District	283,270,693	1.01%	2,855,739
Subtotal: overlapping debt			203,384,245
Total direct and overlapping debt			\$ 258,014,446
Ratio of direct and overlapping funded debt to taxable assessed valuation			12.56%
Per capita direct and overlapping bonded debt			\$ 11,036

**Source:** Individual taxing entities and Tarrant Appraisal District

**Note:** Percentage of overlap based on net taxable value

**City of Saginaw, Texas**  
 Schedule of Revenue Bond Coverage  
 Last Ten Fiscal Years

**Table 12**

<b>Year</b>	<b>Gross Revenue (1)</b>	<b>Direct Operating Expenses (2)</b>	<b>Net Revenue Available for Debt Service</b>	<b>Principal</b>	<b>Interest and Fiscal Charges</b>	<b>Total</b>	<b>Coverage Ratio</b>
2011/12	8,590,876	6,096,024	2,494,852	535,000	209,429	744,429	3.35
2012/13	8,679,364	6,294,404	2,384,960	560,000	195,146	755,146	3.16
2013/14	9,344,552	6,253,171	3,091,381	980,000	143,113	1,123,113	2.75
2014/15	9,637,603	6,617,157	3,020,446	480,000	128,904	608,904	4.96
2015/16	9,538,475	7,420,919	2,117,556	510,000	106,371	616,371	3.44
2016/17	9,961,902	8,383,924	1,577,978	420,000	70,984	490,984	3.21
2017/18	11,342,975	9,477,554	1,865,421	245,000	55,563	300,563	6.21
2018/19	11,225,184	8,903,304	2,321,880	245,000	52,841	297,841	7.80
2019/20	11,366,978	10,025,116	1,341,862	250,000	46,996	296,996	4.52
2020/21	10,873,942	8,619,791	2,254,151	210,000	34,238	244,238	9.23

- Notes:
1. Operating revenues and nonoperating revenues of Enterprise Fund excluding contributed assets.
  2. Total operating expenses of Enterprise Fund exclusive of depreciation.

**City of Saginaw, Texas**  
Computation of Legal Debt Margin  
Year Ended September 30, 2021

**Table 13**

Article XI, Section 5 of the State of Texas Constitution states in part:

“ . . . no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property of such city.”

As a home rule city, the City of Saginaw, Texas is not limited on the amount of debt it may issue. The City's Charter provides that general property taxes are limited to \$1.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation bonds.

The rate for fiscal year 2021 was established at \$.461579 per \$100 of assessed valuation based on 100% of appraised value.

**City of Saginaw, Texas**  
 Demographic Statistics  
 Last Ten Fiscal Years

**Table 14**

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Income (1)</b>	<b>School Enrollment (2)</b>	<b>Unemployment Rate (3)</b>
2011/12	19,995	536,745,780	26,844	17,600	7.80%
2012/13	20,140	540,638,160	26,844	18,132	6.00%
2013/14	20,370	546,812,280	26,844	18,580	5.00%
2014/15	20,480	580,587,520	28,349	19,198	4.00%
2015/16	20,740	569,416,700	27,455	19,582	4.10%
2016/17	21,320	589,839,120	27,666	19,293	3.40%
2017/18	21,730	691,818,010	31,837	20,050	3.20%
2018/19	22,380	677,285,940	30,263	21,027	3.20%
2019/20	23,090	698,772,670	30,263	21,378	6.30%
2020/21	23,380	749,399,140	32,053	22,382	4.50%

Sources:

1. US Census American Community Survey
2. Eagle Mountain-Saginaw Independent School District  
 Enrollment is for the district. Enrollment for schools within the City of Saginaw is 5,735.
3. Bureau of Labor Statistics

**City of Saginaw, Texas**  
 Principal Employers  
 Current Year and Ten Years Ago

**Table 15**

2021			2012		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Eagle Mountain-Saginaw ISD	2,813	32%	Eagle Mountain-Saginaw ISD	2,100	24%
Ventura Foods	398	5%	Wal Mart	500	6%
Walmart Supercenter #5316	393	4%	Trinity North Amer. Freight Car	381	4%
Trinity North Amer. Freight Car	370	4%	Texas Army National Guard	245	3%
CTI Beanmaker&Chefco Foods	356	4%	Bana Box Incorporated	218	2%
Amazon.com Services LLC	320	4%	Ventura Foods	215	2%
Anchor Fabrication Corp.	290	3%	Russo Corporation	200	2%
BANA Incorporated	218	2%	CTI Chefco	200	2%
Ranger Fire Inc	200	2%	Ranger Fire Inc	200	2%
Russo Corporation	200	2%	DOS Project	189	2%

**Source:** City Economic Development Department.  
 EMS ISD is for the district. Employment for schools within the City of Saginaw is 989.

**City of Saginaw, Texas**  
 Full-Time Equivalent City Government  
 Employees by Function/Program  
 Last Ten Fiscal Years

**Table 16**

<u>Function/Program</u>	<u>Full-time Equivalent Employees as of October 1</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General government:										
Administration	10.0	9.0	8.0	8.0	8.0	8.0	8.0	7.0	7.0	7.0
Municipal court	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Information technology *	2.0	2.0	2.0	-	-	-	-	-	-	-
Public safety:										
Fire	30.0	30.0	28.0	27.0	27.0	27.0	27.0	27.0	27.0	27.0
Police	53.0	53.0	50.0	46.5	46.5	45.5	44.5	44.5	44.5	44.5
Public works:										
Streets	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Parks maintenance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Building inspections	6.0	5.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Code enforcement	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Animal services	6.0	4.5	4.5	4.5	4.5	4.5	3.5	3.0	3.0	3.0
City garage	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Economic development	-	-	1.0	-	-	-	-	-	-	-
Community services	7.5	7.5	7.5	7.5	7.0	7.0	6.0	6.0	6.0	6.0
Library	8.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0	9.0	9.0
Water/wastewater	19.0	18.0	18.0	17.0	17.0	16.0	16.0	16.0	16.0	16.0
Drainage	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Total</b>	<b>161.0</b>	<b>156.0</b>	<b>150.0</b>	<b>141.5</b>	<b>141.0</b>	<b>139.0</b>	<b>136.0</b>	<b>133.5</b>	<b>134.5</b>	<b>134.5</b>

Source: City Budgets/Human Resources

\*Previously reported in Administration

**City of Saginaw, Texas**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>Fiscal Year</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Police:				
Stations	1	1	1	1
Licensed officers	41	41	41	40
Patrol units on duty at any one time	4	4	4	4
Fire:				
Stations	2	2	2	2
Firefighter/paramedics	26	26	26	25
Library :				
Number of libraries	1	1	1	1
Volumes in collection	60,703	60,990	59,893	59,220
Average monthly circulation	5,558	5,541	7,438	7,599
Average monthly visitors	3,851	3,419	5,977	6,250
Public works:				
Streets (miles)	94.9	92.9	89.4	86.6
Streetlights*	1,321	1,321	1,223	1,198
Parks and recreation:				
Acreage	107.593	103.69	101	101
Parks	7	7	7	7
Recreation centers	1	1	1	1
Senior/community centers	1	2	2	2
Water:				
Number of water customers	8,383	8,347	8,052	7,841
Annual water consumption (1,000 gallons)	1,267,426	1,175,194	1,077,595	1,106,653
Daily consumption (1,000 gallons)	3,472	3,220	2,952	3,032
Water mains (miles)	122.3	122.3	119.0	116.4
Fire hydrants**	1,171	1,171	1,139	835
Storage capacity (thousands of gallons)	4,250	4,250	4,250	4,250
Wastewater:				
Number of wastewater customers	8,184	8,164	7,878	7,700
Wastewater treated annually (1,000 gallons)	949,816	940,582	1,027,571	838,637
Sanitary sewers (miles)	90.1	90.1	87.3	85.0
Storm sewers (miles)	21.6	20.3	18.5	17.9

Sources: Various city departments.

Note: No capital asset indicators are available for the general government.

\* Number of Streetlights restated in 2015 based on street light audit

\*\* Number of fire hydrants restated as a result of mapping update



Table 17

Fiscal Year						
2017	2016	2015	2014	2013	2012	
1	1	1	1	1	1	1
39	38	38	38	38	38	38
4	4	4	4	4	4	4
2	2	2	2	2	2	2
24	24	24	24	24	24	24
1	1	1	1	1	1	1
59,029	58,302	58,138	59,816	56,420	55,838	
7,358	7,522	8,280	10,895	11,590	9,877	
6,653	6,690	5,934	11,338	15,485	13,749	
85.4	83.4	82.8	81.7	79.2	79.2	
1,187	1,135	1,131	1,120	1,084	1,084	
101	101	100	100	100	100	
7	7	7	7	7	7	
1	1	1	1	1	1	
2	2	2	2	2	2	
7,606	7,427	7,227	7,133	7,042	6,964	
1,020,550	967,332	1,008,306	1,083,712	1,032,241	1,109,997	
2,796	2,643	2,763	2,969	2,828	3,041	
114.9	113.7	113.3	112.2	109.5	109.5	
823	809	803	795	766	766	
4,250	4,250	4,250	4,250	4,250	4,250	
7,477	7,307	7,107	7,013	6,930	6,859	
804,134	915,347	825,789	739,594	750,644	858,778	
83.9	83.1	82.8	81.8	79.8	79.8	
17.1	17.0	16.8	16.7	15.9	15.9	

## City of Saginaw, Texas

### Continuing Financial Disclosure Tables

The Continuing Financial Disclosure Tables portion of the Statistical Section presents various financial data originally distributed in a debt official statement. The City is required to update financial tables originally distributed in a debt official statement within six months after the end of each fiscal year. The financial tables that follow are updated through September 30, 2021. The last debt issue was sold in fiscal year ending September 30, 2021. This information is also sent to the Municipal Securities Rule Making Board (the "MSRB") or filed with the United States Securities and Exchange Commission (the "SEC") as permitted by SEC Rule 15c2-12. The information is also available to the public on the MSRB's Internet Website [www.emma.msrb.org](http://www.emma.msrb.org).

**City of Saginaw, Texas**  
 Continuing Financial Disclosure Tables  
 General Obligation Tables

<b>ASSESSED VALUATION</b>	<b>TABLE GO-1</b>
2020 Actual Total Appraised Value of Taxable Property (100% of Actual)*	\$ 2,621,265,628
Less Adjustments to Market Value:	
Agriculture Productivity Value Loss	6,732,573
Abatement	-
Disabled and Deceased Veterans' Exemptions	23,108,508
Freeport Property	37,088,819
Local, Option Over-65 / Disabled	69,212,328
Pollution Control	136,660
Solar/Wind/Other	9,744,258
Totally Exempt Property	185,837,846
Cases before ARB and Incomplete Accounts	<u>234,641,445</u>
Total Adjustments to Market Value:	<u>566,502,437</u>
2020 Certified Net Taxable Assessed Valuation	<u>\$ 2,054,763,191</u>

\*See "AD VALOREM TAX PROCEDURES" and "CITY APPLICATION OF THE TEXAS TAX CODE" in the Official Statement for a description of the Issuer's taxation procedures.

Source: Tarrant County Appraisal District - September certified values

<b>GENERAL OBLIGATION BONDED DEBT</b>	<b>TABLE GO-2</b>
<i>(As of September 30, 2021)</i>	
<b>General Obligation Debt Principal Outstanding:</b>	
General Obligation Refunding and Improvement Bonds, Series 2013	\$ 5,620,000
General Obligation Refunding Bonds, Series 2014	<u>760,000</u>
General Obligation Bonds, Series 2015	<u>5,760,000</u>
General Obligation Refunding Bonds, Series 2015	<u>935,000</u>
General Obligation Refunding Bonds, Series 2016	<u>2,655,000</u>
General Obligation Bonds, Series 2017	<u>6,645,000</u>
2019 Tax Note	<u>1,160,000</u>
General Obligation Refunding Bonds, Series 2019	<u>1,060,000</u>
General Obligation Refunding Bonds, Series 2020	<u>1,030,000</u>
2020 Certificates of Obligation	<u>17,310,000</u>
General Obligation Bonds, Series 2020	<u>8,435,000</u>
Total Gross General Obligation Debt Principal Outstanding:	<u>\$ 51,370,000</u>
<b>Less: Self-Supporting General Obligation Debt Principal</b>	
General Obligation Refunding Bonds, Series 2014	\$ 75,000
General Obligation Refunding Bonds, Series 2015	<u>935,000</u>
Total Self-Supporting General Obligation Debt	<u>\$ 1,010,000</u>
<b>Total Net General Obligation Debt Principal Outstanding:</b>	<u>\$ 50,360,000</u>
General Obligation Interest and Sinking Fund Balance as of September 30, 2020	<u>\$ 1,082,134</u>
Ratio of Gross General Obligation Debt Principal to 2020 Net Assessed Valuation	<u>2.50%</u>
Ratio of Net General Obligation Debt Principal to 2020 Net Assessed Valuation	<u>2.45%</u>
2020 Net Taxable Assessed Value	<u>\$ 2,054,763,191</u>
Population: 1980 - 5,736; 1990 - 8,551; 2000 - 12,374; Current (Estimate) -	<u>23,380</u>
Per Capita 2020 Net Taxable Assessed Valuation -	<u>\$ 87,886</u>
Per Capita Gross General Obligation Debt Principal -	<u>\$ 2,197</u>
Per Capita Net General Obligation Debt Principal -	<u>\$ 2,154</u>

**City of Saginaw, Texas**  
 Continuing Financial Disclosure Tables  
 General Obligation Tables

**OTHER OBLIGATIONS**

**TABLE GO-3**

**Capital Lease Obligations**

The City has no capital lease obligations at September 30, 2021.

**FUND BALANCES**

**TABLE GO-4**

*(As of September 30, 2021)*

General Operating Fund (Undesignated)	\$ 7,495,781
General Obligation Debt Service (I&S) Fund	1,082,134
Special Revenue Funds	8,656,660
Capital Projects Fund	24,284,485
Enterprise Fund (Undesignated)	3,726,159
Revenue Bond Reserve	158,588
Revenue Bond Debt Service (I&S) Reserve	29,490
General Fund Emergency Reserve	4,550,000
Enterprise Fund Emergency Reserve	2,450,000
Enterprise Fund (Designated)	1,835,416
<b>Total</b>	<b>\$ 54,268,713</b>

City of Saginaw, Texas  
Continuing Financial Disclosure Tables  
General Obligation Tables

PRINCIPAL TAXPAYERS 2020-2021

TABLE GO-5

<u>Name</u>	<u>Type of Business</u>	<u>2020 Net Taxable Assessed Valuation</u>	<u>% of Total 2020 Net Taxable Assessed Valuation</u>
Ardent Mills/Cargill LLC	Food Processing Plant	\$ 60,785,239	2.96%
Miller Milling Company LLC	Food Processing Plant	54,115,340	2.63%
Ventura Foods	Food Processing Plant	47,717,499	2.32%
CTI Foods Inc.	Food Processing Plant	35,092,945	1.71%
Trinity Industries Inc	Food Processing Plant	23,656,651	1.15%
Ergon Asphalt & Emulsions Inc	Construction	22,484,930	1.09%
Saginaw DC/Havener HH LP	Industrial Park/Warehouse	18,433,243	0.90%
BNSF Railway Company	Transportation	18,418,120	0.90%
Wal-Mart Real Estate Business Trust	Retail	17,681,425	0.86%
Oncor Electric Delivery Co.	Energy	16,946,400	0.82%
<b>Total</b>		<b>\$ 315,331,792</b>	<b>15.35%</b>

2020 Net Taxable Assessed Valuation on September 2020 \$ 2,054,763,191

Source: Tarrant County Appraisal District

PROPERTY TAX RATES AND COLLECTIONS

TABLE GO-6

<u>Tax Year</u>	<u>Net Taxable Assessed Valuation</u>	<u>Tax Rate</u>	<u>Tax Levy</u>	<u>% Collections</u>		<u>Fiscal Year Ended</u>
				<u>Current</u>	<u>Total</u>	
2011	1,192,700,025	0.4800	5,724,960	99.41%	99.94%	9-30-12
2012	1,164,124,528	0.4900	5,739,750	99.39%	99.93%	9-30-13
2013	1,219,320,151	0.5100	6,223,951	99.37%	99.90%	9-30-14
2014	1,275,728,662	0.5100	6,484,972	99.43%	99.94%	9-30-15
2015	1,316,353,549	0.5440	7,175,560	99.53%	99.93%	9-30-16
2016	1,441,352,872	0.5130	7,557,636	99.42%	99.89%	9-30-17
2017	1,570,202,200	0.4950	8,075,537	99.40%	99.73%	9-30-18
2018	1,843,931,670	0.4718	8,893,539	99.51%	99.83%	9-30-19
2019	2,046,012,112	0.4590	9,671,868	99.52%	99.66%	9-30-20
2020	2,054,763,191	0.4616	10,438,401	99.44%	99.44%	9-30-21

Source: Tarrant County Appraisal District, and the City's Comprehensive Annual Financial Reports.

TAX RATE DISTRIBUTION

TABLE GO-7

	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
General Fund	\$0.2842	\$0.2817	\$0.2911	\$0.2842	\$0.2933	\$0.2919	\$0.2985
I & S Fund	<u>\$0.1773</u>	<u>\$0.1773</u>	<u>\$0.1807</u>	<u>\$0.2108</u>	<u>\$0.2197</u>	<u>\$0.2521</u>	<u>\$0.2115</u>
TOTAL	<u>\$0.4616</u>	<u>\$0.4590</u>	<u>\$0.4718</u>	<u>\$0.4950</u>	<u>\$0.5130</u>	<u>\$0.5440</u>	<u>\$0.5100</u>

**City of Saginaw, Texas**  
 Continuing Financial Disclosure Tables  
 General Obligation Tables

**GENERAL FUND COMBINED STATEMENT OF REVENUES AND EXPENDITURES  
 AND CHANGES IN FUND BALANCES**

**TABLE GO-8**

	Fiscal Year Ended September 30					
	2021	2020	2019	2018	2017	2016
<b>Revenues:</b>						
Taxes	\$ 14,703,088	\$ 13,071,890	\$ 12,454,203	\$ 11,206,947	\$ 10,761,311	\$ 10,124,958
Licenses and Permits	668,169	773,813	858,901	951,542	929,188	740,192
Charges for Services	97,020	94,815	87,150	84,000	84,000	83,000
Fines and Fees	1,092,420	517,883	509,672	505,110	518,907	635,652
Interest Income	6,911	113,140	295,148	191,974	84,195	32,068
Recreation Income	163,056	162,412	524,686	520,798	496,969	487,081
Intergovernmental	229,848	1,423,032	216,779	135,821	156,018	178,257
Miscellaneous Revenues	170,872	182,049	224,606	601,504	122,222	129,032
Total Revenues	<u>\$ 17,131,384</u>	<u>\$ 16,339,034</u>	<u>\$ 15,171,145</u>	<u>\$ 14,197,696</u>	<u>\$ 13,152,810</u>	<u>\$ 12,410,240</u>
<b>Expenditures:</b>						
Current:						
General Administrative Office	\$ 2,601,057	\$ 1,798,896	\$1,846,648	\$1,774,678	\$1,647,854	\$1,492,131
Municipal Court	191,718	187,064	212,743	168,421	187,886	184,973
Fire	3,864,642	3,965,267	3,826,258	3,982,620	3,280,597	3,177,233
Police	5,018,523	5,001,254	5,284,720	4,546,478	4,144,841	4,002,172
Public Works	1,652,954	1,916,939	1,835,898	1,609,303	1,354,767	1,263,892
Parks	337,404	538,609	379,478	339,015	352,766	266,949
Community Services	645,986	811,155	998,499	959,782	990,618	918,907
Library	626,724	568,571	601,026	569,005	568,246	537,893
Inspection	716,646	625,717	600,849	579,082	849,217	825,017
Animal Services *	471,758	389,122	329,854	398,633	-	-
Fleet Maintenance	457,527	392,030	434,837	456,219	471,007	399,692
Economic Development	140,178	176,840	243,050	567,978	46,520	50,197
Information Technology **	398,731	427,319	327,680	-	-	-
Total Expenditures	<u>\$17,123,848</u>	<u>\$16,798,783</u>	<u>\$16,921,540</u>	<u>\$15,951,214</u>	<u>\$13,894,319</u>	<u>\$13,119,056</u>
Excess (Deficit) of Revenues Over (Under) Expenditures	\$ 7,536	\$ (459,749)	\$ (1,750,395)	\$ (1,753,518)	\$ (741,509)	\$ (708,816)
<b>Other Financing Sources (Uses):</b>						
Transfers In	1,956,513	1,884,758	1,797,112	1,705,322	1,697,052	1,632,566
Transfers Out	(2,874,681)	(72,735)	(42,970)	-	-	(24,423)
Total Other Financing Sources (Uses)	<u>\$ (918,168)</u>	<u>\$ 1,812,023</u>	<u>\$ 1,754,142</u>	<u>\$ 1,705,322</u>	<u>\$ 1,697,052</u>	<u>\$ 1,608,143</u>
Excess (Deficit) of Revenues/Other Sources Over Expenditures/Other Uses	(910,632)	1,352,274	3,747	(48,196)	955,543	899,327
Fund Balance - Beginning of Year	12,956,413	11,604,139	11,600,392	11,648,588	10,693,045	9,793,718
Fund Balance - September 30	<u>\$ 12,045,781</u>	<u>\$ 12,956,413</u>	<u>\$ 11,604,139</u>	<u>\$ 11,600,392</u>	<u>\$ 11,648,588</u>	<u>\$ 10,693,045</u>

Source: The Issuer's Comprehensive Annual Financial Reports

\* Prior to 2018 Animal Services was included in Inspections

\*\* Prior to 2019 Information Technology was included in General Administrative Office

**City of Saginaw, Texas**  
 Continuing Financial Disclosure Tables  
 Revenue Debt Tables

**REVENUE BOND DEBT PRINCIPAL DATA**

TABLE REV-1

(As of September 30, 2021)

**Revenue Bond Debt Principal Outstanding:**

Waterworks and Sewer System Revenue Refunding Bonds, Series 2010	
Tota Revenue Debt Principal Outstanding	\$ -
<b>Plus: Waterworks and Sewer System General Obligation Debt Principal</b>	
General Obligation Refunding Bonds, Series 2014	\$ 75,000
General Obligation Refunding Bonds, Series 2015	935,000
Total Waterworks and Sewer System General Obligation Debt	\$ 1,010,000
<b>Total Revenue Debt Principal Outstanding</b>	<b>\$ 1,010,000</b>

**CONDENSED WATERWORKS AND WASTEWATER SYSTEM OPERATING STATEMENT**

TABLE REV-2

	Fiscal Year Ending September 30				
	2021	2020	2019	2018	2017
Revenues <sup>(a)</sup>	\$10,868,948	\$11,169,272	\$ 10,924,433	\$ 10,951,857	\$ 9,485,704
Expenses	8,619,791	10,025,116	8,903,304	9,477,554	8,383,924
Net Revenue Available for Debt Service	<u>\$ 2,249,157</u>	<u>\$ 1,144,156</u>	<u>\$ 2,021,129</u>	<u>\$ 1,474,303</u>	<u>\$ 1,101,780</u>
Annual Revenue Bond Debt Service Requirements	\$ -	\$ 51,500	\$ 53,000	\$ 54,500	\$ 241,400
Revenue Debt Service Coverage	- x	22.22 x	38.13 x	27.05 x	4.56 x
Annual Debt Service Requirements for all Bonds Paid from System Revenues	\$ 234,171	\$ 279,637	\$ 280,005	\$ 285,372	\$ 471,041
Debt Service Coverage on all Bonds Paid from System Revenues	9.60 x	4.09 x	7.22 x	5.17 x	2.34 x
Customer Count :					
Water	8,383	8,052	7,841	7,841	7,606
Wastewater	8,184	7,878	7,700	7,700	7,477
<sup>(a)</sup> Does not include Impact Fees of:	\$ 4,994	\$ 197,706	\$ 300,751	\$ 391,118	\$ 476,198

Revenues include operating, interest income, and tap fees. Impact fees are not included in revenues and may be used for debt service, if required.

**COVERAGE OF THE BONDS**

TABLE REV-3

(As of September 30, 2021)

Fiscal Year 2019 Net Revenues Available for Debt Service	\$ 2,249,157
<b>Following the Issuance of the Bonds:</b>	
Maximum Revenue Debt Service Requirement Excluding Self-Supporting General Obligation Debt (2019) Coverage	\$ - - X
Maximum Debt Service Requirement Including Self-Supporting General Obligation Debt (2019) Coverage	\$ 240,006 9.37 X
Average Annual Revenue Debt Service Requirement Excluding General Obligation Debt (2019-2020) Coverage	\$ - - X
Average Annual Debt Service Requirement Including Self-Supporting General Obligation Debt (2019-2027) Coverage	\$ 179,604 12.52 X

**City of Saginaw, Texas**  
 Continuing Financial Disclosure Tables  
 Revenue Debt Tables

**SELF-SUPPORTING WATERWORKS AND WASTEWATER SYSTEM OBLIGATIONS  
 HISTORICALLY PAID FROM NET SYSTEM REVENUES**

TABLE REV-4

(As of September 30, 2021)

	<u>Principal Outstanding</u>	<u>Amount of Principal Self-Supporting</u>
General Obligation Refunding Bonds, Series 2014	\$ 760,000	\$ 75,000
General Obligation Refunding Bonds, Series 2015	\$ 935,000	\$ 935,000
Total	<u>\$ 1,695,000</u>	<u>\$ 1,010,000</u>

<u>Fiscal Year Ending Sept. 30</u>	<u>Self-Supporting General Obligation Debt Requirements</u>	<u>Waterworks and Wastewater System Debt Service</u>	<u>Total Debt Service Being Supported by Net System Revenues</u>
2022	240,006	-	240,006
2023	165,642	-	165,642
2024	167,672	-	167,672
2025	169,603	-	169,603
2026	166,435	-	166,435
2027	168,267	-	168,267
	<u>\$ 1,077,625</u>	<u>\$ -</u>	<u>\$ 1,077,625</u>

**REVENUE BONDS AUTHORIZED BUT UNISSUED**

TABLE REV-5

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued To Date</u>	<u>Unissued</u>
06-30-51	Wastewater Improvements	\$ 100,000	\$ 20,000	\$ 80,000

*Note: The City has no plans to issue these bonds.*



**City of Saginaw, Texas**  
 Continuing Financial Disclosure Tables  
 Revenue Debt Tables

**WATER RATES**

**TABLE REV-6**

*(Based on Monthly Billing)*

Rates Effective October 1, 2020	
<u>Residential</u>	
First 2,000 Gallons	\$15.02 (minimum)
3,000 to 10,000 Gallons	4.65 /M Gallons
Over 10,000 Gallons	4.95 /M Gallons
<u>Multi-Family (Per Dwelling Unit)</u>	
First 2,000 Gallons	\$15.02 (minimum)
3,000 to 8,000 Gallons	4.95 /M Gallons
Over 8,000 Gallons	5.99 /M Gallons
<u>Commercial / Industrial</u>	
First 2,000 Gallons	\$15.02 (minimum)
3,000 to 10,000 Gallons	4.95 /M Gallons
Over 10,000 Gallons	5.99 /M Gallons

**PRINCIPAL WATER CUSTOMERS 2017-2018**

**TABLE REV-7**

*(As of September 30, 2021)*

<u>Name of Customer</u>	<u>Average Monthly Consumption (Gals.)</u>	<u>Average Monthly Bill</u>
CTI Foods	9,569,417	\$ 57,306.85
DOS Project	3,880,333	23,237.92
Ventura Foods	3,754,000	22,664.29
Eagle Mnt/Saginaw ISD	1,326,750	7,958.67
Fuel City Saginaw, LLC	1,069,750	6,402.55
Camelot Square Apartments, LLC	709,167	5,014.56
IMO US West, LLC (car wash)	612,667	3,679.61
WV Saginaw Investors, LLC (Williamsburg Apts)	593,000	4,363.00
Miller Milling Company	585,000	3,576.96
Ergon Asphalt & Emulsions, Inc.	450,083	2,700.03
<b>Total</b>	<u>22,550,167</u>	<u>\$ 136,904.44</u>

**City of Saginaw, Texas**  
 Continuing Financial Disclosure Tables  
 Revenue Debt Tables

**WASTEWATER RATES**

TABLE REV-8

*(Based on Monthly Billing)*

	Rates Effective October 1, 2020
<u>Residential</u>	
First 2,000 Gallons	\$16.49 (minimum)
Next 18,000 Gallons	2.59 /M Gallons
<u>Multi-Family (Per Dwelling Unit)</u>	
First 2,000 Gallons	\$16.49 (minimum)
Over 2,000 Gallons	4.50 /M Gallons
<u>Commercial / Industrial (Non-Monitored)</u>	
First 2,000 Gallons	\$18.11 (minimum)
Over 2,000 Gallons	4.50 /M Gallons
<u>Commercial / Industrial (Monitored)</u>	
First 2,000 Gallons	Based on Formula
Over 2,000 Gallons	4.50 /M Gallons

**PRINCIPAL WASTEWATER CUSTOMERS**

TABLE REV-9

*(As of September 30, 2021)*

<u>Name of Customer</u>	<u>Average Monthly Bill</u>
Camelot Square Apartments	\$ 4,217.38
WV Saginaw Investors, LLC (Williamsburg Apts)	4,099.85
Eagle Mnt/Saginaw ISD	3,846.15
IMO US West, LLC (car wash)	2,766.11
Saginaw Crossing Apartments	2,579.75
Zip's Car Wash LLC	1,677.49
Miller Milling Company	1,434.33
Saginaw Laundry Center	1,422.86
American Homes 4 Rent	1,383.02
Qualwash, Inc	1,246.99
<b>Total</b>	<b>\$ 24,673.93</b>

**WASTEWATER SYSTEM PRODUCTION**

TABLE REV-10

Volumes, average daily and peak daily flow for the Wastewater System for the past ten years are shown below.

<u>Fiscal Year</u>	<u>Annual Sewage Flow (000s Gallons)</u>	<u>Average Daily Flow (000s GPD)</u>	<u>Peak Daily Flow and Date (MGD)</u>
2012	858,778	2,353	8.2 03-20-12
2013	750,644	2,057	6.6 09-25-13
2014	739,594	2,026	4.0 12-20-13
2015	825,789	2,262	6.3 05-29-15
2016	915,347	2,508	6.2 12-28-15
2017	804,134	2,203	6.3 09-14-17
2018	838,637	2,298	4.7 03-01-18
2019	1,027,571	2,815	6.0 10-16-18
2020	940,582	2,577	6.0 03-16-20
2021	949,816	2,602	6.8 05-25-21